



## 2022 SME COUNTRY FACTSHEET'S EVIDENCE BACKGROUND DOCUMENT


# Luxembourg

This document faithfully reproduces evidence from various relevant sources, thus providing SME-focused “pure facts” in the form of concise facts. This factual information arises from national evidence, data and insights, such as the SME-relevant recent national studies, surveys, publications, policy measures, etc. (including those published only in the national language) as well as relevant international studies and other relevant sources, indicators and statistics.

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Factual SME-related evidence	Source
<b>KEY NOWCASTS &amp; FORECASTS</b>	
<p>In 2021, SMEs in Luxembourg generated significant growth in value added and employment, with growth rates of 18.0 % and 2.4 %. Large enterprises achieved even slightly higher growth rates of 21.7 % and 3.0 %, respectively, in 2021.</p>	 <b>KEY NOWCASTS &amp; FORECASTS</b> <p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<p>The <i>construction</i> ecosystem grew particularly strongly in 2021, with growth rates of 22.4 % in SME value added and 4.1 % in SME employment.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<p>The <i>digital</i> ecosystem achieved strong growth in both 2020 and 2021, with SME value added growing by 8.1 % in 2020 and 11.4 % in 2021 and SME employment increasing by 2.1 % and 3.5 % respectively.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<p>Based on data from early 2022, it was expected that SME value added and SME employment in Luxembourg would continue to grow by 6.8 % and 3.4 % respectively, but Russia's war of aggression will affect these estimates.</p>	<p>Estimates and forecasts produced by JRC, based on figures from the Structural Business Statistics Database, provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database and forecasts from the AMECO database.</p>
<p>In 2021, SMEs in Luxembourg accounted for 66.4 % of value added and 66 % of employment, exceeding the corresponding EU averages of 51.8 % and 64.4 %.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<b>ENVIRONMENTAL ASPECTS OF SUSTAINABILITY</b>	
<p>In 2020, around 500 decision-makers in SMEs in Luxembourg were asked whether their enterprise had already created a plan to become completely sustainable in the future.</p> <ul style="list-style-type: none"> <li>-18% have answered that they already had a plan and it has already been implemented;</li> <li>-25% say they had created a plan but not yet implemented it;</li> <li>-33% admitted to not having a plan at that point in time, but it may be considered for the future;</li> <li>-15% said such a sustainable plan will not be created in the future for their enterprise.</li> </ul>	 <b>ENVIRONMENTAL ASPECTS OF SUSTAINABILITY</b> <p>Statista, Do you have a strategy or action plan to become a sustainable enterprise i.e. combine long-term success and profitability with a positive impact on society and the environmental? 2020. <a href="https://www.statista.com/statistics/1278315/luxembourg-strategy-to-become-sustainable-smes/">https://www.statista.com/statistics/1278315/luxembourg-strategy-to-become-sustainable-smes/</a></p>
<p>The Circular Economy Strategy was launched in Luxembourg in 2021. The purpose of the strategy is twofold : accelerate on one hand the implementation of the circular economy at national and regional level, increase on the other hand the profile of Luxembourg as a circular economy front-runner at international level.</p>	<p>Gouvernement of Luxembourg, Strategie Kreeslafwirtschaft Lëtzebuerg, 2021. <a href="https://gouvernement.lu/dam-assets/documents/actualites/2021/02-fevrier/08-strategie-economie-circulaire/Strategy-circular-economy-Luxembourg-022021.pdf">https://gouvernement.lu/dam-assets/documents/actualites/2021/02-fevrier/08-strategie-economie-circulaire/Strategy-circular-economy-Luxembourg-022021.pdf</a></p>
<p>As part of the Circular Economy Strategy, the government has also launched the Circular Economy Portal in Luxembourg on 22 June 2021. This governmental platform is used to</p>	<p>Lux Innovation, An internet portal for the circular economy, 2021.</p>

provide information related to the strategy, and to communicate on its practical implementation towards public and private stakeholders.	<a href="https://www.luxinnovation.lu/news/an-internet-portal-for-the-circular-economy/">https://www.luxinnovation.lu/news/an-internet-portal-for-the-circular-economy/</a>
In 2021, the proportion of SMEs that have benefited from public support measures for their resource-efficiency actions was higher in Luxembourg (69.2%) than the EU average (46.0%).	Eurobarometer on SMEs, resource efficiency and green markets, 2022.  <a href="https://europa.eu/eurobarometer/surveys/detail/2287">https://europa.eu/eurobarometer/surveys/detail/2287</a>
In 2021, one third of Luxembourg companies practice or wish to integrate the circular economy into their organization. Indeed, one out of five companies has already integrated such concepts into its business model, and more than 10% intend to do so. This practice seems to grow with the size of the company, the larger companies having more resources available to implement such concepts. While half of the companies do not intend to take an interest or practice it, 27% are still open to the concept.	Chamber of Commerce, 2021. <a href="https://www.cc.lu/toute-linformation/publications">https://www.cc.lu/toute-linformation/publications</a>
<b>SOCIAL ASPECTS OF SUSTAINABILITY</b>  <b>SOCIAL ASPECTS OF SUSTAINABILITY</b>	
<p>When decision-makers in SMEs in Luxembourg (2020) were asked what is currently preventing their enterprise from becoming sustainable, answers were quite diverse:</p> <ul style="list-style-type: none"> <li>-41% mentioned a lack of customer demand;</li> <li>-33% mentioned that it is not compatible with their business model;</li> <li>-32% mentioned a lack of financial resources;</li> <li>-28% mentioned a lack of awareness about how to integrate sustainability into their business model;</li> <li>-25% mentioned that it would not be profitable;</li> <li>-24% mentioned a lack of skills;</li> <li>-12% mentioned a lack of willingness from the management;</li> <li>25% mentioned none of the above.</li> </ul>	<p>Statista, Luxembourg barriers to sustainability in SMEs, 2020. <a href="https://www.statista.com/statistics/1278309/luxembourg-barriers-to-sustainability-in-smes/">https://www.statista.com/statistics/1278309/luxembourg-barriers-to-sustainability-in-smes/</a></p>
<p>In February 2021, the Luxembourg Sustainable Finance Strategy was launched by the Luxembourg Sustainable Finance Initiative (LSFI), a public-private partnership which aims to raise awareness, promote and develop Luxembourg's role as a sustainable finance hub. The Strategy defines concrete actions based on the Luxembourg Sustainable Finance Roadmap recommendations (a document drafted in partnership with the UN Environment Programme Finance Initiative) and is built around three overarching pillars: 1) Awareness and Promotion, 2) Unlocking potential, 3) Measuring progress.</p>	<p>Luxembourg Sustainable Finance Initiative, Luxembourg Sustainable Finance Strategy, 2021. <a href="https://lsfi.lu/wp-content/uploads/2021/02/Luxembourg-Sustainable-Finance-Strategy_EN.pdf">https://lsfi.lu/wp-content/uploads/2021/02/Luxembourg-Sustainable-Finance-Strategy_EN.pdf</a></p> <p>Government of Luxembourg, A Sustainable Finance Strategy for Luxembourg and its financial centre, 2021. <a href="https://gouvernement.lu/dam-assets/documents/actualites/2021/02-fevrier/09-gramegna-dieschbourg-finances/Press-release-EN-.pdf">https://gouvernement.lu/dam-assets/documents/actualites/2021/02-fevrier/09-gramegna-dieschbourg-finances/Press-release-EN-.pdf</a></p>

**DIGITALISATION****DIGITALISATION**

According to a study (Sage Belux), 91.7% of Luxembourg companies surveyed say that the COVID-19 crisis has accelerated their digitalization (2021).

Paperjam, PME toujours dans le doute, 2021. <https://paperjam.lu/article/pme-toujours-dans-doute>

In 2021, the first edition of the Luxembourg Digital Innovation Hub Bus stopped in 12 different industrial zones and attracted no less than 160 participants from 100 different companies, both large groups and SMEs. The characteristic yellow school bus fitted out as a classroom cross-crossed the country's main industrial sites and offered, at each stop, training sessions on digitalisation and cybersecurity. It also hosted round table discussions with digitalisation experts from leading companies as well as the University of Luxembourg and the Luxembourg Institute of Science and Technology (LIST).

Luxembourg Digital Innovation Hub, First DIH on tour, 2021. <https://www.dih.lu/en-us/news/first-dih-on-tour-a-success>

In 2021, the Chamber of Commerce's House of Entrepreneurship and Google have launched an online workshop program to support some 2,000 businesses in their digital transformation. This free program called "Grow with Google" aims to increase awareness of e-commerce and digital marketing among SMEs for a sustainable and inclusive economic recovery. A study by Google and the Connected Commerce Council on the transformation, innovation and resilience of Luxembourg SMEs during the COVID-19 pandemic shows the economic impact of transforming just the precarious SMEs (5,300 in Luxembourg) into more digitized SMEs could create 69,857 jobs and generate EUR 3.2 billion in additional revenue and EUR 0.5 billion in economic value added.

Chambre of Luxembourg, La House of Entrepreneurship de la Chambre de Commerce et Google lancent un nouveau programme de sensibilisation à la digitalisation, 2021. <https://www.houseofentrepreneurship.lu/actualites/detail/la-house-of-entrepreneurship-de-la-chambre-de-commerce-et-google-lancent-un-nouveau-programme-de-sen/>

In 2020, when decision-makers in SMEs in Luxembourg were asked what the biggest three problems for their enterprise are, 18% mentioned the issues with digitalisation.





Statista, From the following list, please indicate up to three key areas which pose the biggest problem for your Enterprise, 2020. <https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/>

**INNOVATION****INNOVATION**

In 2021, the Chamber of Skilled Crafts launched the 21st edition of the Craft Innovation Award. This initiative is aimed to reward entrepreneurs who have strengthened their competitiveness at national level and in foreign markets through innovation. Until 31/12/21, companies active in all craft sectors (food, fashion, health and hygiene, mechanics, construction, communication, multimedia and entertainment and other various craft activities) were invited to submit their project via an online application form. The finalists will be announced in Spring 2022 and the winners will be awarded on 19 May 2022.

Luxinnovation, Craft Innovation Award 2021: registration open, 2021. <https://www.luxinnovation.lu/fr/news/craft-innovation-award-2021-registration-open/>

When decision-makers in SMEs in Luxembourg were asked what the biggest three problems for their enterprise are, only 8% mentioned that issues with innovation were one of the biggest problems faced by their enterprise (2020).	Statista, From the following list, please indicate up to three key areas which pose the biggest problem for your Enterprise, 2020. <a href="https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/">https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/</a>
In 2020, the number of Luxembourg participations in Horizon 2020 projects (127) increased by 25% compared to the year before, and the success rate of Luxembourg applicants (19.57%) was the third best in the EU.	Government of Luxembourg, Rapport Annuel 2020 Luxinnovation, 2021. <a href="https://gouvernement.lu/dam-assets/documents/actualites/2021/04-avril/22-luxinnovation/LUXI-202225-Rapport-Annuel-2020-final.pdf">https://gouvernement.lu/dam-assets/documents/actualites/2021/04-avril/22-luxinnovation/LUXI-202225-Rapport-Annuel-2020-final.pdf</a>
In 2020, Fit 4 Digital Packages, one of the main programme of Luxinnovation aiming at the digitalisation of companies with less than 50 employees, attracted 183 participants – more than 6 times as many as the year before.	Government of Luxembourg, Rapport Annuel 2020 Luxinnovation, 2021. <a href="https://gouvernement.lu/dam-assets/documents/actualites/2021/04-avril/22-luxinnovation/LUXI-202225-Rapport-Annuel-2020-final.pdf">https://gouvernement.lu/dam-assets/documents/actualites/2021/04-avril/22-luxinnovation/LUXI-202225-Rapport-Annuel-2020-final.pdf</a>
<b>SKILLS</b>  <b>SKILLS</b>	
Ranked 8 <sup>th</sup> in the 2021 Global Talent Competitiveness Index, Luxembourg is clearly a top performer in attracting talent. The country ranks 1 <sup>st</sup> in the world for its ability to attract, and 6 <sup>th</sup> for its ability to retain talent.	Start-up Luxembourg, Luxembourg best in the world for attracting talent, 2021. <a href="https://www.startupluxembourg.com/news-and-insights/luxembourg-best-in-the-world-for-attracting-talent">https://www.startupluxembourg.com/news-and-insights/luxembourg-best-in-the-world-for-attracting-talent</a>
In 2019, half of SMEs had a training budget of less than 0.5% of their payroll and 4 out of 5 companies had a training budget of less than 2.5% (study published in 2021). The sectors that invested the most in the training of their teams are industry, with 25% of companies of companies with a budget of more than 1.5% of their total payroll, services excluding finance (22%) and transport (21%).	Chamber of Commerce, 2020. <a href="https://www.cc.lu/toute-information/publications/4?cHash=c934e4569fd a8e94f212dbc8152c2567">https://www.cc.lu/toute-information/publications/4?cHash=c934e4569fd a8e94f212dbc8152c2567</a>
In 2020, when decision-makers at SMEs in Luxembourg were asked what the biggest three problems for their enterprise are, 29% mentioned that skills were one the biggest problems faced by their enterprise.	Statista, From the following list, please indicate up to three key areas which pose the biggest problem for your Enterprise, 2020. <a href="https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/">https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/</a>
<b>ADMINISTRATIVE BURDEN</b>  <b>ADMINISTRATIVE BURDEN</b>	
Many companies continue to feel that administrative procedures are becoming increasingly complex. This is notably the case for 51% of financial services and HORECA companies, 48% of the transport sector and 42% of the services sector. 44% of companies with 6 to 9 employees highlight this is of greater complexity (study published in 2021).	Chamber of Commerce, 2021. <a href="https://www.cc.lu/toute-information/publications/4?cHash=c934e4569fd a8e94f212dbc8152c2567">https://www.cc.lu/toute-information/publications/4?cHash=c934e4569fd a8e94f212dbc8152c2567</a>
In 2020, when decision-makers in SMEs in Luxembourg were asked what the biggest three problems for their enterprise are, 44% mentioned the regulatory obstacles or administrative burden as one the biggest problems faced by their enterprise.	Statista, From the following list, please indicate up to three key areas which pose the biggest problem for your Enterprise, 2020. <a href="https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/">https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/</a>
Officially launched in July 2021, the myguichet.lu application allows to carry out many current administrative operations from	Wort, Vos démarches auprès de l'état à portée de main, 2021. <a href="https://www.wort.lu/fr/luxembourg/vos-">https://www.wort.lu/fr/luxembourg/vos-</a>

cell phone. This mobile application should allow everyone to access and complete their administrative procedures more easily.	<a href="https://demarches-aupres-de-l-etat-a-portee-de-main-60e2e697de135b92368d8490">demarches-aupres-de-l-etat-a-portee-de-main-60e2e697de135b92368d8490</a>
<b>REGULATORY OBSTACLES</b>  <b>REGULATORY OBSTACLES</b>	
According to the Global Entrepreneurship Monitor (GEM) 2020/2021, Luxembourg is considered as a country with good opportunities to start a business. Indeed, 42% of adults surveyed consider that in Luxembourg, there are strong opportunities to start a business. In addition, almost 64% of surveyed persons mentioned that, in Luxembourg, it is easy to start a business.	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
According to the GEM 2020/2021, Luxembourg performs strongly in terms of Government policy. The country reaches the 15 <sup>th</sup> position for "Support and relevance" of government policies and the 9 <sup>th</sup> position for "Taxes and bureaucracy", performing significantly above the average.	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
<b>ACCESS TO FINANCE</b>  <b>ACCESS TO FINANCE</b>	
In Luxembourg, one in five SMEs fears bankruptcy, according to a survey of 500 companies with between 5 and 200 employees in all sectors in May 2021.	Paperjam, PME toujours dans le doute, 2021. <a href="https://paperjam.lu/article/pme-toujours-dans-doute">https://paperjam.lu/article/pme-toujours-dans-doute</a>
Among European countries, Luxembourg is in the third place regarding lending conditions for SMEs. Indeed, SME access to finance strongly improved over the last years in the country.	European Investment Fund, European Small Business Finance Outlook 2020: The impact of COVID-19 on SME Financing markets, 2020. <a href="https://www.eif.org/news_centre/publications/eif_working_paper_2020_67.pdf">https://www.eif.org/news_centre/publications/eif_working_paper_2020_67.pdf</a>
In 2020, the proportion of venture capital investments (expressed as percentage of GDP) was higher in Luxembourg (0.25%) than the EU-27 average (0.05%).	InvestEurope, <a href="https://www.investeurope.eu/">https://www.investeurope.eu/</a> .
<b>LATE PAYMENTS</b>  <b>LATE PAYMENTS</b>	
In 2021, 26.5% of companies have experienced late payments from their customers during the COVID-19 crisis in Luxembourg.	Paperjam, PME toujours dans le doute, 2021. <a href="https://paperjam.lu/article/pme-toujours-dans-doute">https://paperjam.lu/article/pme-toujours-dans-doute</a>
In 2020, when decision-makers in SMEs in Luxembourg were asked what the biggest three problems for their enterprise are, 40% mentioned that late payments were one the biggest problems faced by their enterprise.	Statista, From the following list, please indicate up to three key areas which pose the biggest problem for your Enterprise, 2020. <a href="https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/">https://www.statista.com/statistics/1278350/luxembourg-biggest-problems-smes/</a>
<b>ACCESS TO MARKETS</b>  <b>ACCESS TO MARKETS</b>	
Only 7% to 9% of SMEs have an online offer in Luxembourg (2021).	Paperjam, Google au chevet des PME, 2021. <a href="https://paperjam.lu/article/google-au-chevet-pme">https://paperjam.lu/article/google-au-chevet-pme</a>
Luxembourg is one of the most globalized economies in the world (ranking 20/208 in 2021 Index) according to the KOF Globalisation Index	ETH Zurich KOF, KOF Indice de la mondialisation, 2021. <a href="https://kof.ethz.ch/fr/previsions-">https://kof.ethz.ch/fr/previsions-</a>

which measures the economic, social and political dimensions of globalisation.	<a href="https://indications/indications/kof-indice-mondialisation.html">indications/indications/kof-indice-mondialisation.html</a>
According to the GEM 2020/2021, Luxembourg performs strongly in terms of "ease of entry: market burdens and regulations" (13 <sup>th</sup> position out of 45), but performs weaker in terms of "ease of entry": market dynamics" (41 <sup>st</sup> country out of 45).	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
Luxembourg performs strongly in terms of commercial and professional infrastructure (GEM 2020/2021), reaching the 9 <sup>th</sup> position out of 45.	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
<b>START-UP ENVIRONMENT</b>  <b>START-UP ENVIRONMENT</b>	
On July 2021, Minister of the Economy Franz Fayot and Luxinnovation CEO Sasha Baillie officially launched the official start-up web platform of "Startup Luxembourg" aimed at showcasing the Luxembourg ecosystem internationally and facilitating networking for SMEs.	Gouvernement of Luxembourg Luxembourg launches official start-up web platform, 2021. <a href="https://www.tradeandinvest.lu/news/luxembourg-g-launches-official-start-up-web-platform/">https://www.tradeandinvest.lu/news/luxembourg-g-launches-official-start-up-web-platform/</a>
The fear of failure in Luxembourg remains high, with 42.3% of surveyed adults mentioning it (GEM 2020/2021).	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
<b>SCALE-UP ENVIRONMENT</b>  <b>SCALE-UP ENVIRONMENT</b>	
According to GEM 2020/2021, entrepreneurial intentions remain low in Luxembourg, reaching only 11.1% of the adult population.	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
<b>IMPACT OF THE COVID-19 CRISIS</b>  <b>IMPACT OF THE COVID-19 CRISIS</b>	
More than one in two companies consider potential lockdown measures as the greatest risk to their business in 2022, clearly showing that the pandemic is not yet over. Disruptions to supply chains (44%) and changes in consumer behaviour (40%) are two other major impacts that will continue to influence the business climate beyond 2021, according to business leaders.	Chamber of Commerce, 2021. <a href="https://www.cc.lu/toute-linformation/publications">https://www.cc.lu/toute-linformation/publications</a>
In Luxembourg, 6.3% of surveyed people mentioned that they know someone who started a business due to the pandemic, while 17.2% mentioned that they know someone who stopped a business because of the pandemic (GEM 2020/2021).	GEM, GEM 2020/2021 GLOBAL REPORT, 2021. <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a>
<b>NATIONAL RECOVERY AND RESILIENCE PLAN</b>  <b>NATIONAL RECOVERY AND RESILIENCE PLAN</b>	
The 2021 budget included an ambitious investment program. To promote a sustainable recovery, the investment rate was set at 4.3% of GDP in 2021, or EUR 2.7 billion, which is an all-time high. Indeed, this level far exceeds the pre-crisis level of 3.7% of GDP.	Government of Luxembourg, Un budget exceptionnel pour une époque exceptionnelle - Pierre Gramegna, 2020. <a href="https://budget.public.lu/lb/budget2021/op-ee-bleck/bref-apercu.html">https://budget.public.lu/lb/budget2021/op-ee-bleck/bref-apercu.html</a>

<p>Luxembourg's recovery and resilience plan gather a total of 20 measures which aim to support the country in becoming more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. Those measures will be financed by EUR 93 million in grants. The plan is articulated around 3 major directions:</p> <ol style="list-style-type: none"> <li>1. Social cohesion and resilience</li> <li>2. Green transition</li> <li>3. Digitalization, Innovation and Governance</li> </ol>	<p>Ministry of Finance, Plan pour la Reprise et la Résilience du Grand-Duché du Luxembourg, 2021.  <a href="https://mfin.gouvernement.lu/fr/dossiers/2021/planderelance.html">https://mfin.gouvernement.lu/fr/dossiers/2021/planderelance.html</a></p> <p>European Commission, Luxembourg's recovery and resilience plan, 2021.  <a href="https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/luxembourgs-recovery-and-resilience-plan_en">https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/luxembourgs-recovery-and-resilience-plan_en</a></p>
<p><b>NATIONAL INDUSTRIAL ECOSYSTEMS *</b></p>	
<p>Despite the boom enjoyed by the platform <i>Letzshop</i> (due to the pandemic) for online sales, the e-commerce sector in Luxembourg still lags behind other European countries. Less than 10% of Luxembourg companies sold their products online in 2020.</p>	<p>Luxembourg Wort, Le Luxembourg à la traîne pour l'e-commerce, 2021.  <a href="https://www.wort.lu/fr/luxembourg/le-luxembourg-a-la-traine-pour-le-e-commerce-61cc1921de135b92360b1b2f">https://www.wort.lu/fr/luxembourg/le-luxembourg-a-la-traine-pour-le-e-commerce-61cc1921de135b92360b1b2f</a></p>
<p><b>OTHER RELEVANT TOPICS</b></p>	
<p>Luxembourg, due to its size and geographical position in the heart of Europe is particularly open to international trade. Luxembourg's economy is in 3<sup>rd</sup> place for the most open economy in the world (study published in 2021).</p>	<p>Chamber of Luxembourg, Practical Guide – internationalisation developing business beyond Luxembourg's borders, 2021.  <a href="https://www.cc.lu/toute-information/publications/detail/practical-guide-internationalisation-developing-business-beyond-luxembourgs-borders">https://www.cc.lu/toute-information/publications/detail/practical-guide-internationalisation-developing-business-beyond-luxembourgs-borders</a></p>
<p>In 2021, Luxembourg exported 61% of its production, including more than 50% to neighbouring countries, and is actively developing trade relations with Asia and the Middle East.</p>	<p>Chamber of Luxembourg, Practical Guide – internationalisation developing business beyond Luxembourg's borders, 2021.  <a href="https://www.cc.lu/toute-information/publications/detail/practical-guide-internationalisation-developing-business-beyond-luxembourgs-borders">https://www.cc.lu/toute-information/publications/detail/practical-guide-internationalisation-developing-business-beyond-luxembourgs-borders</a></p>
<p>According to the GEM 2020/2021, Luxembourg performs strongly in terms of Government entrepreneurship programmes, ranking 9<sup>th</sup> out of the 45 countries in the scope of the study. Similarly, regarding the entrepreneurial education at school, Luxembourg ranks at the 10<sup>th</sup> position out of 45 countries.</p>	<p>GEM, GEM 2020/2021 GLOBAL REPORT, 2021.  <a href="https://www.gemconsortium.org/report/gem-20202021-global-report">https://www.gemconsortium.org/report/gem-20202021-global-report</a></p>
<p>In 2020, the number of tax payments was higher in Luxembourg (23) than the EU-27 average (10.3).</p>	<p>World Bank Doing Business, 2020.</p>
<p>Labour shortages, as well as the cost of labour, are seen by executives as the top challenges for 2022, with 69% and 53% respectively.</p>	<p>Chamber of Commerce, 2021.  <a href="https://www.cc.lu/toute-information/publications">https://www.cc.lu/toute-information/publications</a></p>

\* "National industrial ecosystems" refer to the national aspects of the industrial ecosystems as defined by the EC.

<https://op.europa.eu/en/publication-detail/-/publication/6355326c-ae95-11eb-9767-01aa75ed71a1/language-en>