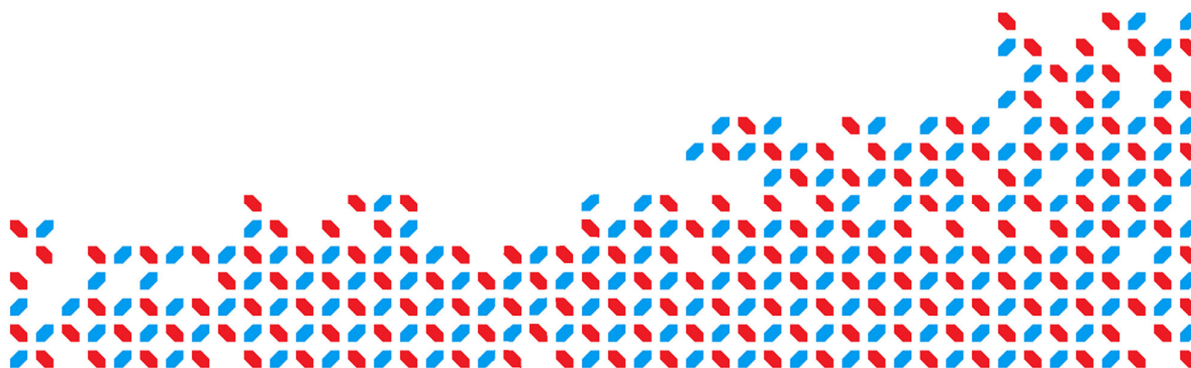


# From Seed to Scale

## Roadmap for the development of the start-up ecosystem in Luxembourg

Ministry of the Economy

June 2023



Publisher: Ministry of the Economy  
19-21, Boulevard Royal  
L-2449 Luxembourg

Publication: Luxembourg, June 2023

## Table of contents

<b>Foreword</b>	<b>p. 4</b>
<b>Introduction</b>	<b>p. 5</b>
<b>I. Continuing early-stage start-up support</b>	<b>p.7</b>
<b>II. A national ecosystem that is better connected, stronger and more visible</b>	<b>p.8</b>
<b>III. Improving access to talent for start-ups and scale-ups</b>	<b>p.10</b>
<b>IV. Creating the right environment for scale-ups</b>	<b>p.12</b>
<b>V. A start-up ecosystem anchored at the heart of the European Union</b>	<b>p.14</b>
<b>Conclusion</b>	<b>p.16</b>

## Foreword



Throughout its history, Luxembourg has time and again redefined itself to adapt to the changes in its economic and social environment. The country's capacity for diversification and entrepreneurship is a fundamental characteristic of the Luxembourgish spirit. Today, it is essential that this spirit of innovation is expressed even more vividly. In recent years, we have faced the most unexpected events: the pandemic and health crisis, energy crisis, armed conflicts and geopolitical upheavals have developed alongside artificial intelligence and new technologies to accelerate the profound transformations of our world and test the resilience of our societies.

To maintain the competitiveness and productivity of the Luxembourg economy, it is essential to mobilise the economic action of citizens, to increase the intensity of the use of our resources while remaining eco-responsible, and to develop the creative and innovative factors of socio-economic projects. For several years now, sectors such as health technologies, cybersecurity, space, green technologies and mobility have been contributing to the diversification and vitality of our economy. Innovation and start-ups play a central role here, requiring entirely new ideas coupled with excellence in execution.

The government has been supporting the development of the start-up ecosystem in Luxembourg for over a decade. Building on this success, the start-up ecosystem is now setting its sights on advancing to the next level of maturity.

To this end, the Ministry of the Economy first commissioned an analysis of the Luxembourg start-up ecosystem to identify its strengths and weaknesses, and then brought together the key players in the sector in three workshops. The profound interconnectedness of our entrepreneurial networks, the pool of talent available, and the demonstrated success at the scale-up phase are indispensable pillars of success for our ecosystem.

As an open and agile economy, Luxembourg favours development built on innovation, in line with the European agenda and objectives of a twin green and digital transition. Collaboration with our neighbouring countries and trans-regional innovation are essential to achieve world-class excellence in Europe. Luxembourg is helping to create favourable conditions for innovative entrepreneurship in Europe.

This roadmap guides Luxembourg's innovation and action in favour of the start-up ecosystem. Our economic fabric will be further strengthened by the dynamism of start-ups and scale-ups, which contribute to our objectives of sustainable economic development and trust.

Franz Fayot  
Minister of the Economy

## Introduction

### *An ambitious and participative roadmap*

In 2013, the Luxembourg government initiated an economic diversification policy, incorporating the start-up ecosystem in a determined manner. The **Government Programme 2018 - 2023** reiterated the importance of start-ups as one of the **driving forces** behind the **development** of the **national economy** and the creation of **new jobs through innovation**. At the same time, Luxembourg has supported the build-up of a Europe of innovation and participates in European programmes aiming at the success of start-ups and scale-ups.

Generally speaking, the term **start-up** refers to a young company developing innovative solutions, often based on new technologies. As they grow, these start-ups become **scale-ups**, which can reach a much more significant size.

This roadmap affirms the continuation of these efforts with the aim of giving the necessary **impetus** to take Luxembourg to a **new level**. Indeed, the Ministry of the Economy aims to position Luxembourg as a first-choice **environment** for entrepreneurs developing innovative projects, investors and players in the start-up ecosystem.

Whilst continuing to provide much-appreciated support for the **creation of start-ups**, which has demonstrated its usefulness and quality, the Ministry wishes to encourage the **growth of start-ups** and their development into **scale-ups**. The aim is to **consolidate** the elements of the Luxembourg **start-up** ecosystem and to put in place **specific** measures for **scale-ups**.

The combination of these active public policies and engaged private players has helped to build an attractive ecosystem. This ecosystem is growing and has been **progressing steadily** for the past ten years. In its latest mapping of the sector, Luxinnovation, the national innovation agency, identified **more than 500 active start-ups**. Most of these are in priority areas for the country's economic diversification, such as **cleantech, healthtech, fintech, space, industry 4.0** and **cybersecurity**.

The start-up **community** has grown considerably and is becoming more structured, as illustrated by the recent creation, in July 2022, of **the start-up association**, which not only aims **to support entrepreneurs** embarking on the adventure of creating their own company, but also to act as the **spokesperson** for the start-up community in the Grand Duchy.

The **high number** of start-up **support structures** in Luxembourg is a further indicator of the development of the ecosystem and the **interest** and support shown by private players in start-ups. There are currently around **15 public** and **private incubators** in Luxembourg.

The business angels, venture capitalists, corporates and advisors active in our ecosystem bring essential **international experience to accelerate the development** of innovative companies, increasing their chances of **successfully completing each stage of growth**.

### *Drawing up the roadmap*

The aim of the Ministry of the Economy was to assess the state-of-play of the Luxembourg start-up ecosystem with a view to identifying the measures to be taken to **support** and **accelerate** the **development** of **innovative companies**. **Startup Genome**, an **international research** and **consultancy firm specialised** in the analysis of start-up ecosystems, was selected in May 2022 to conduct this study.

This study was completed in December 2022<sup>1</sup> and provides an in-depth **qualitative** and **quantitative understanding** of the ecosystem based on (i) **data analysis**, (ii) information gathered from the start-up **community** and **key stakeholders** in the ecosystem and (iii) **benchmarking** against other ecosystems.

The study highlights **three main levers** for changing the ecosystem:

- **To strengthen the start-up community** and **increase the links** between its various players and the Luxembourg economy as a whole.
- **To facilitate access to talent** for start-ups and scale-ups.
- **To encourage** and support the development of **scale-ups**.

On the basis of the study, a wide-ranging **consultation of players** in the Luxembourg start-up ecosystem took place during **workshops** linked to these **three themes**, in order to gather the **needs** of the **field** as well as the **measures** that could most benefit Luxembourg's specific environment.

This roadmap **summarises** the **initiatives** identified for the Luxembourg start-up ecosystem, placing them in the **context** of **two additional key elements**: **Luxembourg's** programmes for start-ups on one hand and on the other hand the collaboration with other European countries and **the European Union**.

This roadmap serves as a **guideline** to **mobilise** the **players** and **partners** of the ecosystem around these **five key areas**:

- I. **Continuing early-stage start-up support;**
- II. **A national ecosystem that is better connected, stronger and more visible;**
- III. **Improving access to talent for start-ups and scale-ups;**
- IV. **Creating the right environment for scale-ups;**
- V. **A start-up ecosystem anchored at the heart of the European Union.**

---

<sup>1</sup> <https://meco.gouvernement.lu/fr/publications/rapport-etude-analyse/minist-economie/luxembourg-startup-ecosystem.html>

## I. Continuing early stage start-up support

The **current start-up ecosystem** encourages the **creation** and the **acceleration of** innovative start-ups thanks to the collaboration of the various players. By continuing its efforts to support the first phases of start-ups, the government aims to **increase** the **number** of start-ups and facilitate **breakthrough innovation** through the creation of **spin-offs**.

Luxembourg wants to **forge** a **community** of entrepreneurs who share its **ambitions**, who integrate scaling-up from the **first versions of** their **business model** and who envisage **growth beyond borders** by default.

To help entrepreneurs **create** and **launch** their start-ups, the government will continue to **support** and **develop existing initiatives**, including:

1. **Fit4start:** The government wants to make this **national acceleration programme**, created in 2015, permanent. It has added value to start-ups in the **early stages**, providing **coaching** and **funding** tailored to their needs. In 2022, some **303** projects from over **58** countries were submitted to the programme. Fit4Start is therefore also an important **visibility tool**.
2. **Seed financing:** Financing **start-ups** in the **seed phase** remains a priority for the government. It is against this backdrop that the Luxembourgish government is pursuing initiatives such as the **Digital Tech Fund**, investing alongside private investors.
3. **Favourable tax measures:** To stimulate entrepreneurship and the creation of start-ups, the government will analyse the introduction of tax measures to **encourage private investment** in **innovative businesses**.
4. **Development of sector-specific infrastructures:** The government will continue its efforts to **develop hosting infrastructures** for start-ups active in innovation sectors identified as priorities for the country, such as **space**, **health technologies**, **mobility** and **green technologies**.
5. **Support for the creation and funding of spin-offs:** A special effort will be made by the government to support **public research** institutions and their **technology transfer** offices (**TTOs**) in order to provide the best possible support for the creation of spin-offs through:
  - Setting up a process to maximise the chances of success for spin-off projects from the **public research sector**, in collaboration with the national incubator **Technoport**, which has 25 years of experience in supporting **high-tech** start-ups.
  - **Co-funding** by the Ministry of the Economy of the **FNR's JUMP** programme, which is dedicated to developing public research, in order to encourage the **participation of experienced entrepreneurs** who can contribute to the commercial development of spin-offs.
  - The introduction of **new public funding tools** specifically tailored to the **needs of spin-offs**, to be developed by the Ministry of the Economy in close collaboration with the TTOs.
6. **Facilitate access to public contracts for start-ups:** The government will analyse the possibility of extending the impact of initiatives such as the **GovTech Lab** which, through the implementation of procedures such as the innovation partnership, enables the **collaboration with technology start-ups** to develop **innovative solutions** designed to advance the digitalisation of public services. In this way, start-ups and scale-ups can **accelerate** the **digital transition** of the public sector.

## II. A national ecosystem that is better connected, stronger and more visible

Luxembourg will continue to cultivate **diversity** within its start-up ecosystem while improving **connectedness** and the exchange of best practices between its various players, to increase the **effectiveness** of the entrepreneurial environment as a whole.

### ***A strong national platform to better connect start-ups with the Luxembourg economy***

The government will strengthen the **Startup Luxembourg** initiative created in 2021 by Luxinnovation. The initiative represents the ecosystem and all its players on a national and international level. Startup Luxembourg will develop new tools to strengthen the **cohesion** and **efficiency** of our ecosystem.

- **A platform at the service of entrepreneurs:** Startup Luxembourg will use its internet platform, its social networks and its strong roots in the start-up community to:
  - **Increase the digital visibility** of the **various initiatives** supporting entrepreneurship and start-ups in Luxembourg and provide them with a **platform** for discussion and collaboration at national and international level.
  - Signpost the **digital procedures** available to start-ups at national level, in particular by guiding users to guichet.lu.
  - Aggregate **events highlighting** start-up and scale-up issues in Luxembourg.
- Startup Luxembourg will work to **build bridges between start-ups and other key sectors of the Luxembourg economy through the** coordination of dedicated **events and initiatives**, in partnership with key players such as **LHoFT** (Luxembourg House of Financial Technologies) for the financial technology sector.
- Startup Luxembourg will contribute to the **sharing of entrepreneurial experience** within the ecosystem by enabling entrepreneurs to obtain **concrete answers** to the questions they face on a daily basis.
- In line with the government's strategy on the data economy, Startup Luxembourg will develop **data collection** and **analysis** with the aim of establishing a **dashboard** for (i) monitoring the most important parameters of the ecosystem and (ii) providing **data** to stakeholders.

### ***Improving interconnectedness within the Luxembourg start-up ecosystem***

The government wishes to set up **Keystone Teams** bringing together key people from the **public** and **private sectors** (entrepreneurs, investors, support organisations, etc.). These teams will act **horizontally across** all the **pillars** of the ecosystem. Their **collective intelligence** will **strengthen the community identity** of the **local fabric** and its **interconnections**. **Luxinnovation's** role will be to define the **work topics** and **coordinate** the Keystone Teams.



### ***Creating a group of Entrepreneurs in Residence in Luxembourg***

The government supports the creation of a **national EIR** (“Entrepreneurs in Residence”) **programme** in partnership with the main players in the ecosystem. These are senior managers and entrepreneurs who have developed one or more technology start-ups or scale-ups. Such a network of **seasoned entrepreneurs** is essential for sharing and passing on **entrepreneurial experience** to **young founders** with a vision of playing an active role, for example as an investor or manager. In this way, it is possible to increase **cohesion** within the ecosystem and the success rate of its companies.

### ***Digitalising administrative procedures for start-ups***

In line with its strategy of digitalisation of the public sector, Luxembourg is aiming to **digitise** the **administrative procedures** linked to **setting up** and managing **start-ups** and **scale-ups**.

### ***A start-up ecosystem that reflects Luxembourg's image***

The government is seeking to make the start-up ecosystem ever more **sustainable** and **inclusive**, to give as many people as **possible** the same **desire** and the same **opportunities to become entrepreneurs**. In this context, the government will continue to encourage public initiatives such as the Social Business Incubator and private initiatives aimed at **promoting social entrepreneurship** and increasing **diversity** in entrepreneurship. These values, which are at the heart of the Luxembourgish model, can **increase the pool of talent** in Europe and amplify the **potential for innovation, including social innovation**, generated by start-ups.

### ***Active listening to the needs of the ecosystem***

The government is committed to establishing a **regular dialogue** with **representatives** and **umbrella associations defending the interests of Luxembourg start-ups and scale-ups**.

### III. Improving access to talent for start-ups and scale-ups

The European Commission has clearly identified the challenge posed by access to talent for start-ups and scale-ups within the European Union and has made **attracting** and **retaining** deep-tech talent a flagship area of its **European Innovation Programme**, adopted in July 2022.

The study carried out by Startup Genome confirms that Luxembourg is facing the same challenge; it identifies **technical** and **commercial profiles** as being the most difficult for local start-ups to recruit.

Luxembourg wants to continue to **enrich** its community of innovative entrepreneurs, while enabling them to put together **multidisciplinary** and **multilingual** teams to **deploy** their start-up or scale-up **solutions** on the European market.

#### ***A proactive, coordinated approach to attracting talent***

- In partnership with **ADEM**, **Startup Luxembourg** will help to **promote** and **recruit** international talent, mainly through **targeted campaigns** on **social networks**, participation in numerous **international events** and the creation of a **job board** dedicated to start-ups/scale-ups.
- The **directory of start-ups** making up the Luxembourg ecosystem created by Luxinnovation will be **enriched** by **external data**. This approach will improve the **visibility** of each start-up to potential **international candidates**. The dashboard will increase **the attractiveness of** the start-up **community** and will also display the availability of multiple job opportunities for each skills profile, thus highlighting the depth of the job market within the start-up ecosystem.
- The **international network** of **LTIO** (Luxembourg Trade and Investment Offices) will be mobilised to organise events dedicated to **recruiting** talent within their **geographical areas** of expertise and relaying information about job opportunities in the Luxembourg start-up ecosystem.

#### ***A single point of contact for foreign talent wishing to join the Luxembourg start-up ecosystem***

- The government will look into setting up a **talent desk**. This desk would be the first point of contact for **advising and guiding** foreign talent wishing to join a Luxembourgish start-up/scale-up.

#### ***A Luxembourgish programme to raise awareness of entrepreneurship among researchers***

The government will support the establishment by **Luxembourg's public research institutions** of a joint programme to **raise awareness of** entrepreneurship. The aim of this programme will be to:

- introduce researchers to entrepreneurship and working in a start-up as a **career option**.
- **promote interaction** with start-ups and the entrepreneurs who created them, in order to understand how they work and the elements involved in **creating and managing** a start-up.
- identify key people within the various institutions who can **support** researchers in their entrepreneurial endeavours and **put** them in **touch** with the most appropriate players in the ecosystem.

- **increase the presence** of spin-offs, start-ups and **scale-ups at recruitment events** organised by public research institutions.

### ***Democratising access to shareholding for employees***

Start-ups and scale-ups do not have the same **financial resources** as established companies to **attract** and **retain experienced employees**, who are essential to their success. Making it easier for employees to benefit from their company's **success** by simplifying their **access** to the **company's capital** can therefore play an important role in **recruiting** and **retaining** employees.

The use of **stock option plans** has been identified by the “**European Startup Nations Standards**” declaration, signed by Luxembourg in 2021, as one of the key elements to facilitate the development of European startups.

Luxembourg is **actively** participating in the working group on **stock options** initiated in 2023 by the European Commission as part of the **European Innovation Council**. The aim of this forum is to enable the Commission and the Member States to **share best practices** with a view to facilitating a **coordinated approach** throughout the European Union.

The government will analyse various tax incentives, including **stock option plans** and the **existing participatory bonus scheme**, which could specifically support the recruitment and retention of talent in Luxembourgish start-ups and scale-ups.

### ***Immigration procedures that contribute to Luxembourg's international attractiveness for start-ups***

The government will look into the possibility of adapting the procedures related to the “self-employed” residence permit; these procedures also concern the start-up ecosystem.

These analyses will be carried out with the aim of strengthening Luxembourg's competitiveness and increasing the country's recognition as a host for third-country nationals in the aforementioned areas of entrepreneurship, start-ups and scale-ups.

### ***Repatriating talent***

The government will analyse the programmes put in place by various EU countries, including tax incentives, **to encourage the return of emigrated talent**, in terms of their effectiveness and feasibility in a national context.

### ***Training future generations of entrepreneurs***

The government wants to further strengthen **entrepreneurial education** for young people and students. Strengthening links with entrepreneurship will make it easier for more future entrepreneurs to discover their vocation at an early age, by building on existing initiatives such as *Jonk Entrepreneuren*.

## IV. Creating the right environment for scale-ups

The transition from **start-up** to **scale-up** is a **critical step**, and one that often occurs at an **accelerated pace** in the **technology** sector. This phase imposes **severe constraints** in terms of staffing requirements, financing and **business model**. **This stage in the development of a young innovative company** can also have a **major socio-economic impact**. This is why a **competitive start-up ecosystem** must **facilitate** the evolution of **start-ups** into **scale-ups**.

Luxembourg wants to (i) enrich its support programmes with measures **dedicated** to scale-ups, (ii) strengthen decisive elements such as **access to greater funding** and (iii) increase the **international visibility** of Luxembourgish scale-ups.

The focus will be on **transforming local start-ups** into scale-ups and attracting **foreign scale-ups** whose more advanced development will be based in Luxembourg.

### *The foundations for promoting the growth of scale-ups*

Luxembourg has always adapted its measures along the value creation chain through innovation. The aim now is to **enrich** the ecosystem with **new services** and programmes for start-ups, and in particular to extend it to scale-ups.

- Accelerating **open innovation**. Putting large corporations and start-ups in touch responds to a need for **discovery of technologies and innovations** on the part of large groups, as well as a need for **learning and growth** on the part of start-ups. Improving mutual understanding and stronger interaction between large groups and start-ups is a priority to be implemented in collaboration with players in the field such as LOIC (Luxembourg Open Innovation Club) and Luxinnovation. As part of such a programme, start-ups improve their understanding of the procedures of major groups and increase their ability to formulate realistic expectations in their commercial and development exchanges with these large companies. The aim is to catalyse and promote open innovation and **stimulate relations between large international groups and start-ups**.
- A **programme for scale-ups**. As start-ups evolve into scale-ups, those that confirm their success **attract the interest** of **large companies with a view to strategic partnerships**. Supporting mature scale-ups requires a **dedicated programme** that can meet the distinct needs of each one, with the support of entrepreneurs in residence to help them achieve **hyper-growth**. Such a programme could focus in particular on **internationalisation**, with a typical first step being to move into neighbouring European markets, particularly **Germany, France and Belgium**.

### *An ecosystem for innovation investors and financiers*

Already one of Europe's leading centres **for private investment**, Luxembourg has demonstrated the advantages of its venture capital environment by attracting **world-class** players.

Funding for the early stages of development of innovative companies in Luxembourg is considered to be fairly comprehensive and accessible. Luxembourg now wants to **extend the presence of financial decision-makers** in the country to **facilitate access to venture capital funding** for local start-ups and scale-ups.

Luxembourg has successfully deployed the **Luxembourg Future Fund (LFF1)**, a **€150 million** investment fund set up by the **Société Nationale de Crédit et d'Investissement (SNCI)** and the **European Investment Fund (EIF)**. It focuses on investments in **venture capital funds** and

**technology companies** that are aligned with the economic development strategy. A second LFF2 fund of €200 million was launched in March 2023. It not only **attracts venture capital** funds, but also **scale-ups** in Luxembourg.

### ***Increased funding for the final stages of development***

Luxembourg supports the initiative for a fund to finance European technology champions (ICTE). This fund of funds is designed to have an impact on scale-ups that have reached an advanced stage of growth, and for financing needs of more than €50 million. It appears to be an essential tool for retaining innovation players in Europe. This makes it possible to **raise significant** funds **locally** and in **Europe**.

### ***Support in obtaining European funding***

In Luxembourg, **collaboration** is seen as **inextricably linked** to **success**, and a **European base** is seen as **natural**. It therefore seems natural to want to increase the participation rate of scale-ups in **European funding programmes**.

Start-ups already benefit from **support** from Luxinnovation's dedicated European teams, who put their **experience** at the service of applicants. Scale-ups will receive similar high-quality support. Luxembourg's involvement in the European Innovation Council (**EIC**) provides an additional **incentive** for innovative companies to apply for European funding.

### ***Consolidating international visibility***

Efforts to **promote** Luxembourg as a “**Start-up Nation**” will be **continued**. In order to **accelerate** the development of the start-up ecosystem, it is necessary to increase its visibility at national and international level and to **highlight** its **specific features and successes**.

The Startup Luxembourg platform **is already highlighting** the **advantages** the country has to offer to young innovative companies and will continue to position Luxembourg as a base **for international entrepreneurs** looking to serve customers across Europe.

Startup Luxembourg will continue to systematically support the presence of start-ups and scale-ups from the Grand Duchy at **international trade fairs and shows** by creating a **joint pavilion dedicated to the start-up ecosystem**.

A **dashboard will be set up** to measure the **progress** of the start-up and scale-up ecosystem in Luxembourg and to initiate **specific actions** to adjust their development.

### ***Trade missions, a lever for international partnerships***

The economic missions will increase the **visibility** of Luxembourg start-ups and scale-ups, and act as a **magnet** to anchor foreign scale-ups in Luxembourg. Additional partnership agreements will be concluded with **countries of strategic interest** for the development of Luxembourg and the Luxembourg start-up ecosystem to **strengthen collaboration** between the ecosystems.

## V. A start-up ecosystem anchored at the heart of the European Union

Start-ups and scale-ups are essential for the future of **Europe**, its **economy** and **society**. They make a decisive contribution to **boosting** productive sectors, **transforming** innovation opportunities into socio-economic benefits, and to the dual green and digital transition.

As a historic driving force behind the construction of Europe, Luxembourg aspires to a European start-up ecosystem on a par with the **most innovative international ecosystems**, aiming at increasing **productivity** and **quality of life** in the European Union.

Luxembourg is fully committed to **European initiatives** that build **connected innovation valleys** to strengthen resilience in the face of global competition. For Luxembourg's innovative companies to succeed, it is essential that Europe is capable of producing **global innovation giants**. And in return, a competitive start-up ecosystem in Luxembourg will benefit the Greater Region and other European countries.

### *An innovation environment connected to major European initiatives*

- Luxembourg shares the ambition of a European Union offering the **best framework conditions** to encourage the development of start-ups and scale-ups. In particular, Luxembourg subscribes to the declaration on **European Startup Nations Standards** and will join the **European Startup Nations Alliance (ESNA)** to play a leading role. Luxembourg supports initiatives to analyse innovation in the regions, such as the **ESNA SNS Report**, which identifies actions tailored to each start-up ecosystem, and the **EU Startup Scoreboard**, which aims to harmonise definitions of start-up concepts at European level.
- Luxembourg is in favour of the European Union promoting **disruptive innovation**, **financing** it, mobilising **talent** for it and **reducing the gap** between innovative ecosystems in Europe. Through its participation in the European **New European Innovation Agenda (NIEA)** programme, Luxembourg is investing in the development of European strategies linked to innovation and economic dynamism.
- Luxembourg will be even more committed to supporting start-ups and scale-ups within the European Innovation Council (**EIC**) and its thematic working groups.

### *Catalysing the development of innovative start-ups and scale-ups by promoting their financing*

Luxembourg wants to **make it easier for innovative companies and players in the ecosystem to access European funding**:

- To increase the number of Luxembourgish start-ups **benefiting** from **European financial aid**, the **FNR's national Fit4Start** and **JUMP** programmes will be certified for the EIC's **Plug-In** programme. **Certification** will enable participants in the national programmes to **reduce the number of steps involved in** accessing European funding.
- Local players such as incubators, accelerators and innovation-related organisations will be able to benefit from the **Innovation Ecosystems Programme**, and their participation in European networks will be encouraged.

### ***Strengthening the talent pool available in Europe for start-ups and scale-ups***

Luxembourg is **working** alongside other European countries to **attract talent to Europe** by offering a **diverse** and **attractive employment market** and competitive opportunities for **individual development**.

A dynamic labour market is a **major factor in** convincing innovative **foreign** companies to choose **Luxembourg** as a nerve centre for their **development**, and in attracting **investors**.

### ***A competitive and sustainable data economy at the heart of Europe's green and digital transformation***

- Luxembourg is deploying a strategy linked to the development of a sustainable and trusted data economy based on high-quality, reliable infrastructures. In this ecosystem, technology start-ups and scale-ups will find **an experimentation ground**, a **diversity of experiences** and a **set of services** conducive to the pursuit of innovations linked to **industry 4.0, digital health, cybersecurity, supercomputing, space and digital, energy and sustainable transformations**. Luxembourg will continue to participate in European programmes linked to new technologies and to invest in European agencies such as **EuroHPC**, which was co-founded by Luxembourg.
- Luxembourg is participating in the **Digital Decade** Policy Programme 2030, which will guide Europe's digital transformation between now and 2030. The section on business transformation, and in particular the increase in growth companies and the doubling of European unicorns, as well as the section on the adoption of new technologies, complement local initiatives in favour of Luxembourgish start-ups and scale-ups.

## Conclusions

With this roadmap, the Luxembourg government, hand-in-hand with the actors of the start-up ecosystem, aims at accelerating the development of start-ups in Luxembourg and is sending out a strong signal to scale-ups.

This roadmap is also part of a vision shared with the member countries of the European Union to make Europe a land of innovation and entrepreneurship that encourages the creation of start-ups and scale-ups.

For more than a decade, Luxembourg has been building an ecosystem for start-ups that is appreciated and recognised, in comparison with other ecosystems, for the quality of its support for the early stages of start-up development.

Whilst providing this support for start-ups, the ambition is now also to develop initiatives that will lead to accelerated growth for start-ups and their development into scale-ups.

The next stage will be reached by continuing to structure the ecosystem, making it more connected, increasing its international visibility, facilitating access to talent and deploying measures to stimulate the growth of scale-ups. Luxembourg's strategic sectors and, more broadly, the Luxembourg economy will benefit from this creative and innovative dynamic.

Adopted by the Government Council during its meeting of 9 June 2023, this roadmap proposes actions that will contribute to achieve our objective of increasing Luxembourg's competitiveness by creating a complete, attractive and inclusive start-up ecosystem. By promoting technological innovation and sustainability, this will enable the socio-economic benefits to be passed on to the everyday lives of our citizens.