



# freelancer

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## ***Mapping and stock taking of Entrepreneurship challenges for aspiring freelancers***

### **Executive Summary**

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## **Executive summary of key findings from needs assessment**

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The FREELANCE project, part of Work Package 2 - “Mapping and Analysis of Freelancing Dynamics Across Europe” - offers a comprehensive examination of the freelancing landscape within the European Union. This initiative aims to identify the trends, challenges, and opportunities that characterize freelancing, especially in a rapidly evolving employment context.

Through extensive research, the project has produced a series of country-specific reports that cover key nations, including Italy, Estonia, Croatia, and Spain, along with a thorough EU overview. Together, these reports illuminate the current state of freelancing, underscoring its increasing significance in the European economy and the distinct conditions faced by freelancers in each country.

The insights derived from these reports empower freelancers, policymakers, educators, and industry stakeholders with essential information to navigate the changing gig economy. By tackling identified challenges—such as skills gaps, regulatory barriers, and income instability—stakeholders can cultivate an ecosystem that supports freelancers, thereby enhancing their resilience and competitiveness.

This executive summary synthesizes the key findings from the country-level analyses and the comprehensive EU report. Readers will find a cohesive overview of critical data, highlighting the unique characteristics of the freelancing sector in various contexts, alongside actionable recommendations aimed at promoting sustainable growth and development for freelancers throughout Europe.

As the reports unfold, they present detailed insights into both the quantitative and qualitative aspects of freelancing, exploring trends in self-employment, the socio-economic effects of the COVID-19 pandemic, and emerging skills requirements. Each report concludes with key takeaways and recommendations designed to fortify the freelance workforce, ensuring that this essential sector can adapt and thrive in the digital age.

## EU Report – Overview

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In the ever-changing landscape of modern employment, freelancing has emerged as a significant force within the European economy. This analysis explores the multifaceted nature of freelancing, highlighting its definition, role, trends, challenges, and opportunities in the digital era.

Freelancing encompasses a diverse range of professionals—including self-employed individuals, independent contractors, and entrepreneurs—who operate autonomously, offering their services both remotely and on-site. While there isn't a single definition of a freelancer within the European framework, there's a shared understanding that these professionals embody independence and flexibility in their work arrangements. The concept gained traction in the 1980s as businesses sought cost-effective outsourcing solutions amid rapid technological and economic changes.

Today, Eurostat reports that over 25 million freelancers are part of the European workforce, a number that continues to grow with the ongoing digitization of work. This trend reflects not only the changing nature of employment but also underscores the rising importance of self-employment as a vital component of the economy.

Freelancers are instrumental in delivering high-quality services across various sectors, providing businesses access to specialized skills while enjoying remarkable freedom in their professional lives. However, this shift toward freelancing also brings unique challenges, such as income instability, a lack of benefits, and the complexities of navigating regulatory landscapes.

This report aims to provide a comprehensive overview of the European freelancing environment, using both static and dynamic data to analyse current trends and future directions in the sector. It will also delve into the European policy framework affecting freelancers and outline available training opportunities designed to enhance their skills and competitiveness.

Additionally, the report will identify the inherent strengths and weaknesses of the freelancing model, exploring potential gaps—be they structural or systemic—that need to be addressed to better support this growing workforce.

As freelancing continues to reshape the employment landscape across Europe, understanding its dynamics is crucial for policymakers, businesses, and freelancers alike. By creating an environment that nurtures independent professionals, the EU can unlock the full potential of this vibrant sector, driving innovation and economic growth throughout the continent.

## Country Snapshot – Italian Overview

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In the dynamic scenery of Italian freelancing and self-employment, this Country Snapshot unveils the essence of entrepreneurial resilience and adaptability. As the business environment rapidly evolves, embracing self-employment has become crucial for individuals to remain competitive and responsive to market demands.

The report highlights the growing importance of freelancing in Italy, especially in the post-pandemic scenario. It delves deep into the Italian self-employment ecosystem, examining the trends in new self-employed workers across different regions and years. The COVID-19 pandemic has served as a catalyst, compelling many to pivot their careers and embrace freelancing as a viable employment option.

To enhance entrepreneurial resilience, targeted interventions play a pivotal role. The report emphasizes the significance of government initiatives, such as the Jobs Act, employment centres, and training programs aimed at bolstering freelancers' skills and capabilities.

In the pursuit of successful self-employment, Italian freelancers face a skills gap that hampers their progress. Factors such as limited business management skills, insufficient digital capabilities, and inadequate support infrastructure have hindered the entrepreneurial journey of many Italian freelancers. The areas of interest for training curricula include business management, strategic marketing, sales techniques, personnel management, and entrepreneurial mindset.

The analysis also identifies the challenges faced by freelancers, including persistent gender gaps, regional disparities between North and South Italy, and the need for better work-life balance. The report reveals a significant gender gap in self-employment, with men consistently representing over 60% of new self-employed workers.

Addressing challenges calls for strategic planning, understanding of labour regulations, and investments in training. A supportive ecosystem, comprising government policies, employment centres, and targeted training programs, is essential to foster entrepreneurial resilience and unlock the potential of Italian freelancers in the evolving job market.

## Country Snapshot – Estonia Overview

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This national analysis report delves into the freelancing landscape in Estonia. The study aims to identify trends, challenges, and opportunities for enhancing the freelance ecosystem and supporting self-employment.

Given that 3% of Estonia's workforce reports entrepreneurship as their main income source, with twice as many men as women in this category, understanding and supporting freelancers becomes crucial. The COVID-19 pandemic and ongoing digital transformation have accelerated the shift towards flexible work models, impacting freelancers and the gig economy.

Through a combination of quantitative and qualitative indicators, the report reveals crucial insights into the prevalence of freelancing, skills gaps, and training requirements essential for bolstering the freelance sector in Estonia. It also explores available opportunities, operational tools, and emerging trends, with an emphasis on the unique Estonian context.

The journey towards a thriving freelance ecosystem is not without its hurdles. Challenges such as income instability, lack of access to health and social benefits, tax management complexities, work-life balance issues, and difficulty in securing consistent work have been noted as obstacles that must be addressed effectively.

The findings stress that freelancing is a vital gateway to entrepreneurship and plays a crucial role in addressing income inequality, particularly for women. To achieve this, freelancers are encouraged to invest in skills development and networking while fostering a culture of adaptability to market demands. Moreover, it highlights the need for a diverse range of tailored support programmes and continued efforts to empower Estonian freelancers, ensuring their competitiveness and sustainable growth in the future.

## Country Snapshot – Croatian Overview

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The freelancing and self-employment sector in Croatia is undergoing significant transformation, offering both new opportunities and notable challenges for individuals seeking independence in their professional lives. The COVID-19 pandemic has accelerated this shift, emphasizing the growing role of freelancing in the Croatian economy.

Since 2019, self-employment in Croatia has grown by 12.8%, with the number of self-employed individuals rising from 187,000 to 211,000 by 2022. However, the sector remains male-dominated, as nearly 70% of self-employed individuals are men. Freelancing specifically is gaining traction, though precise statistics remain limited. Estimates suggest that as of September 2023, around 17,825 people are working as freelancers in Croatia, with women comprising 36% of this group.

Income disparities among freelancers are notable. The average hourly rate is approximately €19.50, but earnings vary significantly depending on the industry. Freelancers in IT and marketing can earn up to €60 per hour, whereas those in media often struggle financially; in fact, 65% of media freelancers earn less than €1,000 per month, a figure below the national average salary. This financial instability is exacerbated by limited access to credit and the lack of essential employment benefits, which leaves many freelancers without a financial safety net or long-term planning options.

The report also highlights a skills gap in the freelance market, particularly within creative fields like writing, design, and programming. While demand for these skills is high, there is a lack of publicly funded training programs tailored for freelancers. Private initiatives have emerged to provide some training and resources, but access remains limited for many freelancers looking to advance their careers.

To address these challenges, the report recommends several key actions. Firstly, policy reforms should be implemented to ensure that freelancers receive basic rights like those of traditional employees. Secondly, there should be a greater emphasis on educational initiatives to provide freelancers with the skills needed to succeed. Finally, support structures, such as local chambers of commerce and professional associations, should be strengthened to offer freelancers networking opportunities, guidance, and advocacy.

While freelancing in Croatia presents a promising path toward economic growth and professional independence, systemic improvements are still necessary. Addressing these challenges would not only benefit freelancers but also strengthen Croatia's economy.

## Country Snapshot – Spanish Overview

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The Spanish report highlights the importance of freelancing and self-employment in the country's economy, particularly in the context of the digital era. The COVID-19 pandemic has accelerated the growth of freelancing, emphasizing its significance in shaping Spain's labour market.

To measure the freelancing phenomenon, the report considers indicators such as the number of self-employed workers without employees, geographical distribution, gender and age demographics, and the sectors in which freelancers operate.

The report emphasizes the increasing trend of full-time job resignations, reaching over 70,000 in 2022, which is linked to the growth in freelancing. This shift is attributed to workers seeking better salaries, more flexibility, and greater control over their work.

Furthermore, the percentage of self-employed workers in specific sectors related to new technologies and digital services is seen as a key indicator of freelancing growth. These sectors include information and communications, financial and insurance activities, and professional, scientific, and technical activities.

The report's conclusions highlight various challenges faced by freelancers in Spain, such as the need for constant skill updates, financial management, and client acquisition. It identifies key areas of focus for supporting freelancers, including training in project management, time management, client relations, financial literacy, and personal development.

Spain's efforts to support freelancers and entrepreneurs include social security reductions, bonuses, and regional aid. The country's approach to freelancing is part of a broader strategy to adapt to the changing nature of work in the digital age, with a focus on developing skills in areas such as technology, data, communication, marketing, and business consulting.

# Conclusion

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Collectively, these overviews provide a comprehensive insight into the current state of freelancing within the EU, highlighting its growing role and significance in various member states, including Italy, Estonia, Croatia, and Spain. With the insights and targeted strategies derived from these analyses, stakeholders are equipped to navigate the complexities of the freelance landscape effectively.

The reports illuminate the unique challenges freelancers face, such as income instability, skills gaps, and regulatory hurdles, while also showcasing the opportunities for growth and adaptation in a rapidly changing employment environment. By understanding these dynamics, policymakers, educators, and industry leaders can foster an ecosystem that not only supports freelancers but also enhances their resilience and competitiveness.

Armed with actionable recommendations, stakeholders can implement effective strategies to address the identified gaps, ensuring that freelancers can thrive and contribute meaningfully to the economy. As freelancing continues to evolve and redefine the employment landscape in Europe, these insights will be crucial in driving innovation and promoting sustainable economic growth across the continent.