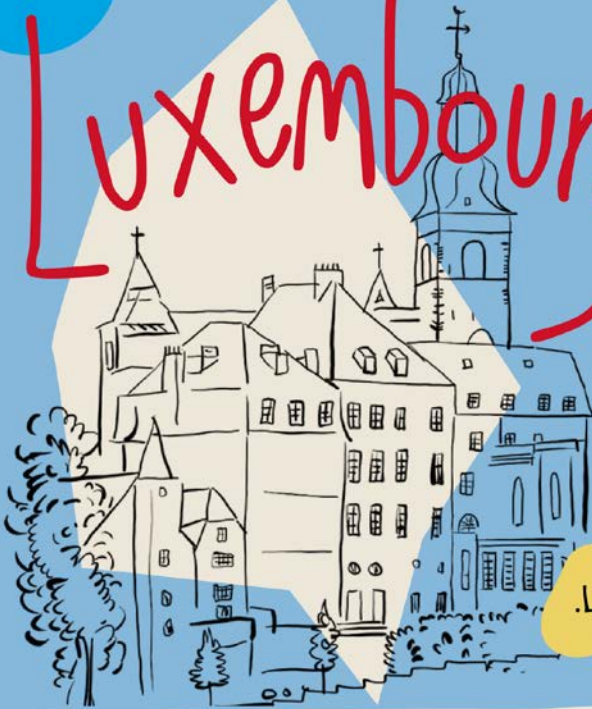




# Luxembourg



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SOCIAL INNOVATION TO SECURE DIGITAL FUTURE  
FOR CITIZENS

# SOCIAL INNOVATION TO SECURE DIGITAL FUTURE FOR CITIZENS

*Luxembourg's digital landscape is witnessing a surge in social impact ventures driven by government support. Recent strides position it as a digital innovation leader. Challenges persist, but they are being tackled through media literacy. Digital tools empower sectors like finance and government, yet talent acquisition remains crucial. Policies should prioritise inclusivity and bridge societal divides for equitable digital advancement.*

Isabel Holguera Vera

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**H**ow would you describe the digital trends in your country, especially regarding digital social impact ventures?

Luxembourg's digital landscape is characterised by robust innovation, witnessing a notable shift towards fostering social innovation driven by recent government initiatives. The establishment of the Social Business Incubator (SBI) in late 2022 and funding initiatives like the "Social Innovation BarCamp"

in 2023, offering a EUR 2,00,000 grant to social innovative projects, reflect the government's emphasis on supporting social entrepreneurship.

Additionally, initiatives like 'Fit 4 Start' demonstrate a strong commitment to Sustainable Development Goals (SDGs), aligning with Luxembourg's focus on social impact. European Union (EU) funding further strengthens these efforts, indicating a positive trajectory for nurturing social impact ventures. This support has spurred the emergence of new startups and innovations, particularly in sectors like cleantech, healthcare, and cybersecurity.

***How would you describe recent digital shifts in your country?***

According to the "Digital Economy and Society Index (DESI)" reports by the European Commission, Luxembourg has made remarkable strides in digital innovation, ranking eighth in 2022, surpassing the EU average. Over the past two decades, the country has cultivated a vibrant startup ecosystem, with initiatives like 'Fit 4 Start' and the digital innovation hub managed by Luxinnovation playing pivotal roles.

Luxembourg has also launched several digital tech funds to support startups, facilitating their international growth. This rapid development underscores the country's proactive stance and openness to entrepreneurship, transforming from having virtually no startup ecosystem to a thriving community.

***Describe and provide insight into your country being democratic or the internet breaking democracy in your body politic?***

Luxembourg, ranked 11th globally for full democracy by the Economist Intelligence Unit, maintains a robust democratic framework. The internet enhances democratic processes by facilitating access to information and fostering civic engagement. However, challenges such as misinformation, echo chambers, and polarisation persist.

Luxembourg addresses these challenges through media literacy initiatives, such as BEE SECURE, a government program aimed at promoting responsible digital technology use, particularly among youth. Through innovative initiatives, Luxembourg seeks to leverage the internet's positive potential while upholding democratic values.

***Digital Tools are considered to be empowering. Can you describe which sector in your country has been helped by the digital most?***

In Luxembourg, digital tools empower various sectors, notably government and finance. The country's reputation as a global financial centre, renowned for stability, innovation, and expertise in banking, investment funds, insurance, and wealth management, underpins this empowerment across both private and public sectors.

Government initiatives like MyGuichet.lu grant citizens online access to public services, enhancing efficiency and transparency. Simultaneously, The Luxembourg House of Financial Technology (The LHoFT) fosters the FinTech ecosystem, bringing together financial institutions, innovators, academia, and public authorities to drive innovation and collaboration.

In the private sector, companies such as Luxtrust, fintech Cascade Labs, Tokeny, and LUXHUB leverage digital technologies to streamline banking and fund services, improving customer experiences and fostering financial inclusion.

To ensure the effective utilisation of these digital tools, Luxembourg implements laws and regulations in alignment with EU standards. The Digitalisation Law, for example, regulates the digital space, maintaining standards and adapting European directives to keep pace with digital transformation.

***What are the biggest challenges in your country in terms of digital transformation?***

In Luxembourg, a significant challenge in digital transformation lies in attracting and developing the right talent essential for driving innovation and maintaining competitiveness in the economy. While Luxembourg boasts a robust financial sector and advanced digital infrastructure, ensuring a skilled workforce is vital to fully leverage digital technologies' potential. Attracting top talent from diverse backgrounds and fostering their growth through training and development initiatives are critical steps in meeting this challenge.

***Does your country consume digital content more than it produces, or vice versa?***

In Luxembourg, due to its relatively small size, the consumption of digital content often outweighs its production. While the country benefits from access to a wide range of digital information and resources, including online publications, legal and political documents, and diverse online content, its production capacity is limited compared to larger nations.

***Can you make recommendations on how your country should make digital policies an equalizer?***

Luxembourg can unlock the vast potential of its diverse population and foster a fairer, more prosperous society by bolstering digital policies tailored to underrepresented groups, such as women, LGBTQ+ individuals, persons with disabilities, and expats. Efforts to bridge the divide between expats and native Luxembourgish citizens through language and cultural integration initiatives can enhance social unity and ensure equitable access to digital tools. Furthermore, prioritising narrowing the gender gap, particularly within the tech sector, through specialised mentorship and funding programmes can pave the way for increased opportunities for women pursuing digital careers.

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*Isabel works as a Startup Advisor at Luxinnovation, managing the digital track of the Fit4Start program. She is passionate about impact entrepreneurship and specifically supports female entrepreneurs, aiming to bring more diversity to the tech startup scene. Previously, she worked at EY as an EYnovation program manager, coaching and mentoring startups, as well as designing several programs for entrepreneurs.*