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UNIT INNOVATION AND ADVANCED MANUFACTURING,  
CLUSTERS, SOCIAL ECONOMY AND ENTREPRENEURSHIP, F.2

Brussels, 23 February 2016

**Conference on Migrant Entrepreneurs**

**23 February 2016**

**Mansholt Room, Charlemagne building, Rue de la Loi 170  
1000 Brussels**

**Minutes**

**23 February 2016**

The conference was chaired by Mr Michel Catinat, Head of Unit for Clusters, Social Economy and Entrepreneurship, European Commission, Directorate General for Internal Market, Industry, Entrepreneurship and SMEs

Mr. Michel Catinat, chair of the conference, opened the conference and introduced the speakers. He highlighted that the Conference is a milestone in the work of the institutions on migrant entrepreneurship, since the European Commission and the European Parliament each intend to launch an initiative in the summer to support migrant entrepreneurship. He also invited the participants to the Conference to provide input to the study currently under way: *Evaluation and Analysis of Good Practices in Promoting and Supporting Migrant Entrepreneurship*. The evaluation currently carried out by VVA Consulting started in mid-January and will be concluded in July.

## **1. Opening Addresses**

*Mr Slawomir Tokarski* Director for Innovation & Advanced Manufacturing, European Commission, Directorate General for Internal Market, Industry, Entrepreneurship and SMEs

*Ms Laura Corrado* Head of Unit for Legal Migration and Integration, European Commission, Directorate General for Migration, Home Affairs and Citizenship

*Mr Philippe Vialatte* Deputy Head of Unit for International Cooperation, European Commission, Directorate General for Research and Innovation

*Ms Ann Branch* Head of Unit for Job Creation, European Commission, Directorate General for Employment

Mr Tokarski, Director for Innovation & Advanced Manufacturing, European Commission, Directorate General for Internal Market, Industry, Entrepreneurship and SMEs, introduced the Conference and the discussion with the participants about initiatives which are successful, lessons to be learnt, and the EU's role in supporting the MS and organisations working in the field.

He started by emphasising the need for more entrepreneurs in Europe, and referred to the Entrepreneurship 2020 Action Plan, adopted in 2013, which already stressed the importance of encouraging specific target groups, in particular migrants, to become entrepreneurs. Mr

Tokarski stressed that DG GROW was interested in the ‘entrepreneurial potential’ of migrants: in their potential to create new businesses, and therefore contribute to the growth of our economies. The Commission had to shift its approach, and consider how newly arrived refugees could be best supported. The purpose is to transform the challenge that the current migration flow is imposing on Europe, into an opportunity for growth. Entrepreneurship can be one of the ways of achieving that.

There are already many successful entrepreneurs with a migrant background in Europe. Their contribution to business creation and to employment cannot be underestimated. For cities and regions migrant entrepreneurship can be a strategic resource to foster economic activity and social inclusion. However, migrants often experience specific barriers that are unknown to “native” entrepreneurs. These are for instance a limited knowledge of the host market, language barriers, restricted access to information and support, and greater difficulties in accessing credit.

In order to help addressing those problems, the Commission will launch this year a series of new initiatives to support the existing initiatives and to help a deeper cooperation. These include a new action under the COSME programme to facilitate networking between organizations at the national, regional and local levels; a Pilot Action, initiated by the European Parliament, focusing on the training and mentoring of migrants; and the annual European Social Innovation Competition, dedicated this year to the issue of social innovation for refugees and migrants.

Ms Laura Corrado, Head of Unit for Legal Migration and Integration, European Commission, Directorate General for Migration, Home Affairs and Citizenship, explained the perspective of DG HOME that is complementary to DG GROW, RTD, EMPL, CNECT. She clarified that there is constant dialogue and cooperation among the above mentioned DGs, who share knowledge and collaborate to tackle problems.

DG HOME is looking at the issue under a double angle:

- a) Fostering the integration of migrants that are already in the EU territory through a number of actions encompassing various policy areas (e.g. education, labour market integration, social inclusion) that facilitate their integration;
- b) Attracting highly skilled and talented migrants, including innovative entrepreneurs, through a possible reform of the legal framework to admit them into the EU.

Nowadays, the EU lags behind other countries like the United States or Canada in attracting qualified entrepreneurs. This is why it is really important to attract skilled and innovative entrepreneurs to the EU and help them succeed in specific areas, while at the same time encouraging migrants and refugees already on EU territory to become entrepreneurs.

DG HOME organised the European Dialogue on Skills and Migration last January, which involved businesses and trade unions in preparation of a possible reform of the EU Blue Card and a new Commission communication on legal migration and integration.

Ms Corrado summarised the next steps of the DG HOME agenda:

1. Legal migration package: Communication on legal migration and asylum to be issued in March, as well as the revision of the Blue Card Directive and the Action Plan on integration due at the end of April
2. Action Plan on Integration of Migrants, which includes financial support, concrete measures, best practises and their dissemination.

Philippe Vialatte, Deputy Head of Unit, European Commission, Directorate General for Research and Innovation (DG RTD), International Cooperation:

- Indicated that DG RTD participates in the Expert Group on Economic Migration together with DG HOME, GROW, EMPL, ECFIN<sup>[1]</sup>, EAC<sup>[2]</sup>;
- Underlined that DG RTD will soon launch a study to design a European scheme aiming at highly skilled entrepreneurs from third countries who want to create a company in Europe. The results are foreseen in autumn;
- Presented the initiative Science4Refugees<sup>[3]</sup>: it is a platform under the EURAXESS website to help refugee scientists and researchers find suitable jobs that both improve their own situation and put their skills and experience to good use in Europe's research system. On the date of the conference, about 500 job vacancies had been published for refugee researchers since the launch of the S4R initiative last October.

In her speech, Ms Ann Branch, Head of Unit for Job Creation, European Commission, Directorate General for Employment, highlighted the activities carried out by DG EMPL for vulnerable groups, including migrants.

Ms Branch presented relevant data on the topic, highlighting that most jobs in the EU are created by SMEs, in particular micro enterprises in the first 3- 5 years. To create more jobs, it is therefore important to have more entrepreneurs and to help those with growth potential to expand. Whilst entrepreneurship is not a panacea for everyone, the statistics suggest there is untapped potential in terms of promoting self-employment among migrant groups.

One of the main obstacles to entrepreneurship for vulnerable and under-represented groups (including migrants) is difficulties in accessing finance. For this reason, the European

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<sup>[1]</sup> Directorate General for Economic and Financial Affairs

<sup>[2]</sup> Directorate General for Education and Culture

<sup>[3]</sup> The webpage of the project Science4Refugees is within the EURAXESS platform  
[http://ec.europa.eu/euraxess/index.cfm/jobs/science4refugees\\_rtd-science4refugees@ec.europa.eu](http://ec.europa.eu/euraxess/index.cfm/jobs/science4refugees_rtd-science4refugees@ec.europa.eu)

Commission has been supporting micro-finance initiatives for a number of years. More specifically, DG Employment is responsible for the micro-finance financial instruments managed by the European Investment Fund (EIF). Loans can reach up to EUR 25,000, although the average amount is below EUR 10,000. DG EMPL is also responsible for new financial instruments supporting social enterprises, also managed by the EIF, which support the longer term integration of migrant groups. Furthermore, the European Fund for Strategic Investment (EFSI), is now also focusing on refugees. With ECFIN and the EIF, EMPL is working on a 'payment by results' instrument targeting social enterprises working with vulnerable groups, in particular refugees with a significant contribution from EFSI.

Finally, EMPL is working on improving the knowledge-base to inform evidence-based policy-making. This includes the regular publication of the “Missing Entrepreneurs” report, in collaboration with the OECD. In 2014, the publication had a specific focus on ethnic minorities and migrants. It found that some migrants come from entrepreneurial cultures, others do not, and highlighted the challenges faced by entrepreneurs from these groups, including that of greater difficulty in accessing finance, and understanding regulatory requirements. However, it also stressed certain advantages they had, including knowing more than one culture, which can help in internationalising the business.

## Q&A

It was specified that horizontal actions should always be the most preferred, but that targeted measures may be temporarily needed to help migrants access mainstream support.

## **2. DG GROW study on initiatives to support migrant entrepreneurship**

*Dr Pierre Hausemer* Managing Director, VVA Europe

*Ms Laura Todaro* Senior Consultant, VVA Europe

Ms Laura Todaro, Senior Consultant at VVA Europe, described the study “Evaluation and Analysis of Good Practices in Promoting and Supporting Migrant Entrepreneurship”<sup>1</sup> that VVA Europe and JIIP are carrying out, in particular the objectives, methodology and tasks of the study. The study will result in the publication of 20 best practices to support migrant entrepreneurship and a benchmark tool that will serve as a reference to design and/or improve such schemes across the EU. To this end, the European Commission will publish a guide. In parallel, the consultants will examine the added value of creating a European network of centres for migrant entrepreneurship.

## Q&A

Ms Antonella Noya from the OECD asked clarifications about the scope of the study, in particular the range of measures that will be considered and if this will include different types of beneficiaries.

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<sup>1</sup> Evaluation and Analysis of Good Practices in Promoting and Supporting Migrant Entrepreneurship. Within FwC No ENTR/172/ PP/2012/FC. European Commission, Directorate General Enterprise and Industry, Unit Innovation and Advanced Manufacturing, Clusters, Social Economy and Entrepreneurship, F.2

Ms Todaro replied that the study will cover a wide range of categories of intervention and it will also consider several types of beneficiaries that benefit/benefitted from schemes, for instance: young migrants, women migrants and non-EU third country nationals that are already entrepreneurs. This is because the profile of migrants residing in the EU is not homogenous and different subgroups have to be considered.

### **3. Practices to support Migrant Entrepreneurship I**

*Mr Florian Peter Iwinjak* Programme and Liaison Officer/Industrial Development Officer, United Nations Industrial Development Organization

*Mr Ben Butters* Director, EU Affairs, Association of European Chambers of Commerce and Industry

Mr Florian Peter Iwinjak, Programme and Liaison Officer and Industrial Development Officer of the United Nations Industrial Development Organization (UNIDO), introduced the organization's mandate, projects, interests and concerns in the area of migration and entrepreneurship.

UNIDO aims to incentivize entrepreneurship, support upskilling, and support inclusive and sustainable private sector and industrial development along the whole migratory chain. Firstly by tackling the root causes of migration through building socio-economic resilience, secondly by supporting the rehabilitation process of affected communities and the private sector, including internally displaced people (IDPs) and refugees, both in post-crisis scenarios and protracted crises; and finally by promoting social inclusion in host countries.

UNIDO's holistic approach to entrepreneurship (including for migrants) intervenes at three levels:

- at the macro level the organization aims to improve policies, the regulatory and business environment, e.g. through facilitating business registration and tax reforms, and fostering PPPs;
- at the meso level it aims to identify and support the value chains with growth potential, including vocational training centres and business support institutions;
- at the micro level it promotes the development of (M)SMEs through technical assistance, promoting entrepreneurial culture and skills and innovative funding schemes for young entrepreneurs.

UNIDO's work includes many examples of good practices. The organisation implements the inclusion of entrepreneurship training in school curricula for millions of pupils (for example in Uganda, Rwanda, Mozambique, East Timor). UNIDO also supports, at the 'micro' level, the development of the appropriate culture, environment, infrastructure and institutional capacity for migration integration.

In addition, in many of its projects UNIDO uses vocational and entrepreneurship training (VET) as the main driver to develop and instil entrepreneurial spirit in the young population and especially in women. The development of VET institutions is therefore pivotal for the

success of many initiative in this field. To create jobs in affected countries, the stimulation and recovery of the private sector is necessary. UNIDO's successfully collaborated with the private sector in Iraq with Scania, in Liberia with Komatsu, and in Turkey with the textile industry. Additionally, through DG DEVCO[1] funding, UNIDO was able to provide large scale vocational training in Côte d'Ivoire (mainly ex-combatants) or Sudan (mainly IDPs and women).

Mr Iwinjak pointed out that the link between crisis recovery and development has not yet been fully exploited and that there is a need for innovative solutions in LRRD on a larger scale. To achieve this, it is necessary to use industrial statistics and match labour market needs with the right skills and create jobs at scale e.g. through special economic/industrial zones.

Other past examples of UNIDO's good practices include a project in Ghana and Liberia which aimed at the reintegration of returnees and internally displaced people. This project included entrepreneurial and vocational training. As a result of this project the incomes of female participants have doubled. Other ongoing examples of good practices are projects in Jordan and Turkey. In Jordan, the project is aimed at social cohesion between the host communities and migrants, where 300 women developed entrepreneurial, design and marketing skills. It is applied through an inclusive model where training is provided for both sides and sectorial needs and participants skills are taken into account to help protect the dignity of people. There is a pilot project in Turkey where UNIDO trains 1000 women in the textile sector together with the local industry. The training is provided directly in and around refugee camps in fixed and mobile units.

Mr Iwinjak concluded that similar challenges along the migratory chain and gaps in innovative research systems and large scale solutions exist. For entrepreneurial schemes to be successful for migrants, a positive framing of the discourse needs to be stressed, inclusive models for migrants and host communities need to be developed in multi-stakeholder partnerships, taking the international dimension into account. For instance, the economic added value of communities of migrants should be emphasised. There will be a UNIDO conference on innovative approach to social inclusion in either May or June 2016 in Hungary. Mr Iwinjak invited the Chair and participants of the Conference to take part in this conference and welcomes the idea of a benchmarking tool that may help policy makers and raise awareness in this field.

According to Mr Ben Butters, Policy Director of EUROCHAMBRES, the Association of European Chambers of Commerce and Industry, migrant entrepreneurship brings social, cultural and economic benefits to host countries. Migrant entrepreneurs face similar challenges to entrepreneurs in general in setting up their own businesses, but in some respects more acutely.

EUROCHAMBRES is currently developing a strategy regarding the economic integration of refugees in which entrepreneurship is a key element, along with skills validation, vocational training and matching.

Education is a key factor in stimulating entrepreneurial mindsets. Entrepreneurship education must thus be central to curricula.

The issue of migrant entrepreneurship is gathering political visibility and it will be one of the points on the agenda of the upcoming Tripartite Social Summit<sup>[1]</sup> in March 2016.

## Q&A

At the end of this part of the programme, the Chair stressed the importance of education for migrant entrepreneurship and opened the floor for questions towards the two speakers.

Ms Zahra Moini, Norwegian Center for Multicultural Value Creation, enquired about how chambers of commerce engage entrepreneurs in entrepreneurship mentoring.

Mr Butters replied that chambers of commerce are very involved in providing support to entrepreneurs. He gave the example of the Erasmus for Young Entrepreneurs programme, a European Commission co-financed exchange programme between experienced and would-be entrepreneurs that EUROCHAMBRES coordinates at EU level. Chambers are also involved in this programme at the local level.

The Chair asked if there is a need to implement specific actions for migrant to have access to mainstream schemes.

In Mr Butters' opinion, it would be more effective to develop and adapt existing schemes to ensure that they are accessible and beneficial to migrants, and Erasmus for Young Entrepreneurs was mentioned again with the idea to incorporate the element of migrants into the current scheme.

Mr Thomas Huddleston from the Migration Policy Group asked if there are any examples of good practices of migrants having access to entrepreneurial schemes and more importantly pointed out that chambers of commerce should explore the possibility of partnerships with migrant entrepreneurs

According to Mr Butters, there are many programmes that could serve as examples of good practices; however, not all of them might necessarily target only migrant entrepreneurs.

Mr. Monder Ram, Director of the Centre for Research in Ethnic Minority Entrepreneurship at the University of Birmingham enquired whether chambers of commerce have a role to play in pushing the private sector (namely companies and banks) to be more involved in mentoring migrant entrepreneurs.

Mr Butters responded that chambers of commerce do, in fact, play a role as intermediaries between a wide range of private and public sector stakeholders. He indicated that chambers could play an enhanced role in encouraging the involvement of financial institutions in initiatives for migrant entrepreneurship.

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<sup>[1]</sup> The Tripartite Social Summit consists of the Council Presidency and two subsequent Presidencies and their Ministers for Employment and Social Affairs, the European Commission, EU Heads of State or Government and various social partners (European employer and employee representatives). The Tripartite meets twice a year, ahead of the spring and autumn European Councils. [http://europa.eu/rapid/press-release\\_IP-15-4633\\_en.htm](http://europa.eu/rapid/press-release_IP-15-4633_en.htm)



To this Mr Iwinjak added that the European Bank for Reconstruction and Development is very active in the Mediterranean area and in the area of women entrepreneurs. The European Investment Bank also develops targeting schemes.

#### **4. Practices to support Migrant Entrepreneurship II**

*Ms Zahra Moini* Director of Norwegian Center for Multicultural Value Creation

*Mr Christopher Gosau* Director of European Economic Policy, Association of German Chambers of Commerce and Industry (DIHK)

*Mr Monder Ram* Director of Centre for Research in Ethnic Minority Entrepreneurship

*Mr Luc Hendrickx* Director of Enterprise Policy and External Relations, European Association of Craft, Small and Medium-Sized Enterprises (UEAPME)

Ms Zahra Moini, Director of the Norwegian Center for Multicultural Value Creation, introduced the Center's scheme for migrant entrepreneurs, which focuses on knowledge collection, knowledge creation and knowledge dissemination. The Center mobilizes migrants and provides education to develop their skills, coaching, networking, mentoring and access to finance. The target group are first and second generation of mainly highly-educated migrants, therefore, the Center needs to raise the interest with the lower educated migrants. The Center's aim is to also build a reputation of immigrants as positive contributors to the society.

About 15% of Norway's population comes from a migrant background. Migrants tend to be concentrated in major cities, for example, over 30% of them reside in the Oslo area. Overall, Norway has a relatively low rate of unemployment; however, the unemployment rate is higher for the migrant population and especially for migrants coming from African countries. The Center considers migrants to be hidden assets, and recognises their need for structure, inspiration and networking.

The Center offers coaching and competence development programmes and uses a method of effectuation where it teaches migrants how to make choices in an uncertain environment. This method was created by Professor Saras Sarasvathy<sup>2</sup> in Virginia, USA. According to this method there can be two ways to approach entrepreneurial schemes. One is managerial thinking, a sort of a "recipe book" where organisers/coaches of the scheme choose among given means those they find most appropriate to achieve pre-determined goals. The other is entrepreneurial thinking, a more creative choice, where the organisers/coaches first assess the participants and then they come up with the best way to proceed further, based on the skills of the participants. The effectual reasoning of this method focuses on affordable loss rather than on expected return, and builds upon concepts of cooperation and partnership.

The Center uses the following good practices: individually tailored models, the promotion of cultural understanding, match-making to mentors, focus on quality and legitimacy, use of the media. Follow up sessions are also organized throughout the process of establishing a business.

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<sup>2</sup> <http://www.darden.virginia.edu/faculty-research/directory/saras-d-sarasvathy/>

The scheme focuses on innovation rather than facilitation to prevent over-crowding of certain sectors.

About 70% of participants have higher education and about 50% are women. After the training about 25% of participants have set-up their own business and out of these 42% were women.

Local communities and the private sector should be involved in schemes to support migrant entrepreneurs. They should be developed in conjunction with regional development, employment and integration policies.

On the European level there is a need for coordinated policies. There is also a lack of statistics and analyses. Cross-border cooperation, investment financing and incentive programmes should be encouraged. Finally, the added value to the economy and the positive value chain of migrant entrepreneurs should be highly publicised.

Mr Christopher Gosau, Director of the European Economic Policy of the Association of German Chambers of Commerce and Industry (DIHK) introduced the network of chambers of commerce in Germany. There are about 80 regional chambers of commerce and there are also 130 German chambers of commerce abroad that promote German businesses. In 2014, nearly a fifth (19%) of business founder in Germany came from a migration background. The German national chamber organization in co-operation with the regional Chambers from all over Germany voluntarily decided to contribute actions to support the integration of refugees. They have therefore developed a National Action Plan in which they all input, for example by providing information and helping refugees to start up a business.

Some challenges that the entrepreneurial migrants in Germany face are insufficient knowledge of German and the lack of qualifications. On the other hand, they are more interested in setting up their own business than natives. Around 19% of all business advice enquiries that the chambers receive come from entrepreneurs with migrant background.

Mr Gosau provided two examples of good practices that the German chambers of commerce are involved in.

The first example is a Welcome day for migrants who want to create a business that has existed for a decade, and is now taking place monthly. It is organized by the Hamburg Chamber of Commerce in cooperation with ASM – the Working Group of Immigrant Entrepreneurs. The success of this practice lies in the migration background of the team, which organises events to provide individual and group with advice in a number of languages (making migrants more trusting and willing to open up to the coaches) and help with the development of business plans. Migrants are supported even once they have started their business. ASM also organizes various seminars and training sessions. The key success factor is the interaction with local organizations and the provision of individual counselling to address migrant specific issues and needs.

The other example of a good practice is a Start-up class for Syrian refugees. This scheme is organised by the Berlin Chamber of Commerce and is being launched today (23/2/2016). It is a one-day seminar with 14 participants most of which are/were business owners before in Syria. The seminar aims to inform the participants about the process of setting up a business in Germany and a guest speaker from a migrant background will interact with the participants as well.

Mr. Monder Ram, Director of the Centre for Research in Ethnic Minority Entrepreneurship (CRÈME) at the University of Birmingham highlighted that the Centre's area of research is ethnic minority entrepreneurs. The Centre has set up a number of institutions and peer networks in this area. One of these is the Enterprise and Diversity Alliance (EDA – established in 2010), a network that includes also the private and banking sector. The Alliance provides information on access to 3Ms – market, money and management. It also offers mentoring and education. The areas of EDA activities are mainly:

- Pooling of knowledge and commitment of corporate and professional associations;
- Building relationships between minority businesses and the finance sector;
- Mentoring minority enterprise in a variety of innovative ways;
- Drawing on research from leading academics to inform new approaches to working with business and communities.

Mr Ram stressed the importance of how schemes and migrants can benefit from knowledge exchange. Academic evidence suggests that differences between mainstream and migrant enterprises occur only when the sectors are broken down. It also suggests that the banking sector is not trying to discriminate against migrant entrepreneurs but that banks lack knowledge and cooperation better with some migrant groups than others. It is very relevant to change the perception of being discriminated against and the help of migrant community spokesmen and of migrants that are already entrepreneurs may contribute changing the pattern.

Mr Ram emphasized the importance of facilitating migrants' access to business networks in order to find already established migrant entrepreneurs to inspire them. Schemes need to be set up in different areas to ensure the involvement of various communities. Banks should also provide mentoring.

EDA for instance organises events with the banking sector to discuss business issues with migrants because sometimes perception is different from reality. Furthermore, the Alliance organized a live exercise where migrant entrepreneurs participated in a loan approval decision process. At the end of the exercise most migrants deemed the business plan too risky and would not approve the loan, however, the bank manager did. Exercises like this encourage migrants to seek help from official authorities and not just informal ones, such as family or community.

Mr Ram added that continuous learning should be promoted. There already are many Pan-European networks that should be used to exchange ideas and experiences in a more fluid and flexible way. There is a need to secure the sustainability of support schemes so that they will continue to function after the main source of funding is discontinued. There is also a need for

greater involvement by chambers of commerce. Raising awareness of the issue of migrant entrepreneurship among the public is good, but insufficient as action is what is needed.

Mr Luc Hendrickx, Director of Enterprise Policy and External Relations of the European Association of Craft, Small and Medium-Sized Enterprises (UEAPME), pointed out that since many years UEAPMEs member organisations have started to develop tools and actions in order to facilitate “migrant “entrepreneurship. Migrant entrepreneurs are in the first place entrepreneurs which have the same needs as the local ones. UEAPME provides information material and support guides on how to start a company in different languages. Migrant entrepreneurship is about entrepreneurship and one should not focus too much on the migrant aspect.

The main problem is the recognition of qualifications and diplomas that were acquired in home countries, as well as the language barrier. The main challenge and objective is to give them as soon as possible access to the (regulated) professions, but without giving in on quality, in order to enable them to respect the legal requirements. Often the social policy approach in the Member States is too passive and does not take into account the background of the newcomers. Instead, it should capitalize on the migrants’ competences. According to a Flemish study the most successful immigrants were these who had the basic entrepreneurial competences, namely: customer oriented, being pragmatic and having a social network (be it formal or informal) and not the local language knowledge. So it is of utmost importance to map as soon as possible the entrepreneurial competences of newcomers.

### Q&A

At the end of this part of the conference the Chair opened the floor for questions for the panellists.

Ms Rashid Tebussum, from the Black Training Enterprise Group (BTEG), pointed out the need for initiatives to have more access to communities and community organisations to tackle, amongst others, the migrants’ lack of understanding of the host-country’s bureaucracy.

Mr Hendrickx complemented this idea by saying that initiatives and practices need to cooperate better with not just business organisations but also organisations from other areas such as culture.

Mr Gosau added that chambers of commerce and initiatives need to engage better and more with organisations that have access to migrant networks. Actions at grass root level are pivotal to make these actions successful.

Ms Anna Zobnina, from the European Network of Migrant Women, criticised the missing evidence of initiatives, especially the lack of information provided about how these actions affect women. Many times the initiatives face difficulties with dissemination. It is necessary to build bridges with the corporate world and to make the process more flexible. It is also desirable to raise awareness on the existing tools.

Mr Ram agreed that there is lack of data about migrant entrepreneurs across the European Union. The ultimate objective should be to have mainstream initiatives that are diversity sensitive. The mechanisms in place need to work properly to be successful.

In reaction to Ms Zobnina's observation about lack of interest in women migrant entrepreneurs, Ms Moini referred to the Norwegian Center which used to have a special programme just for women, however, the participants were complaining of "losing" opportunities for broader networking. Therefore, the Center now only offers classes in mixed groups. Many of the Center's participants complained that when they were trying to build bridges with local businesses or business organisations they were facing the same discrimination as when they were looking for a job. A change in corporate attitudes towards migrant entrepreneurs is needed.

## **5. Keynote Speeches**

*Ms Elżbieta Bieńkowska* Commissioner for Internal Market, Industry, Entrepreneurship and SMEs

*Mr Paul Rübzig* Member of the European Parliament

Ms Hélène-Diane Dage opened the afternoon session emphasising the importance of the Conference and of dialogue with stakeholders. She invited the participants and the contractor for the evaluation of good practices to proactively exchange information and communication.

Additionally, the Chair reminded the participants of the objective of the study on migrant entrepreneurs which is to identify 20 best practices and to see whether a European Network is needed to support initiatives in the MSs.

Ms Elżbieta Bieńkowska, the Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, presented the golden opportunity that would be missed, if the challenges posed by migration are merely managed. She said that her aim was to turn the migration challenge into an entrepreneurship opportunity, by helping migrants become successful entrepreneurs.

Europe needs entrepreneurs. They drive economic growth, create companies and jobs, open up new markets, and develop new skills and capabilities. Migrant entrepreneurs already represent an important pool of business founders, who contribute significantly to growth and to the creation of jobs in Europe. 6.6% of self-employed people in the European Union were born outside of their country of residence, which is more than 2 million people. Of these, 47% were born outside of the European Union.

Ms Bieńkowska stated that, having taken risks and experienced hardships to come to Europe, migrants have the potential "to be entrepreneurs", which entails risk-taking and trying new things. Nevertheless, she reminded the audience that migrants are likely to experience more barriers to becoming entrepreneurs than locals. For instance, they have limited knowledge of

the host market and how it operates, they have more difficulties to access finance and business networks in the host country, some of them don't have developed business skills, and they must navigate an unknown regulatory environment in a foreign language. Besides, they are often unaware of or not reached by mainstream business support measures.

The Commission, in addition to its work on the Single Market Strategy, the collaborative economy, the Capital Markets and the forthcoming skills agenda, which will all benefit migrants, is preparing initiatives to support specifically migrant entrepreneurship. The objective is to share best practices across Member States, improve cooperation between all key actors, and promote national and local business support systems to migrant entrepreneurs, by reaching out to their communities to help them pursue their entrepreneurial dream. .

Paul Rübzig, Member of the European Parliament for EPP and member of the Budget Committee, pointed out the important role of entrepreneurship. The EU and its MSs should emulate the USA's successful women and migrant employment strategies. The EP started a female business angels programme, in cooperation with the Commission. There is a social obligation to support migrant entrepreneurs. The Erasmus for Young Entrepreneurs programme should be developed beyond the EU.

The countries outside of the EU, especially Turkey, need the EU's help with refugee education at all levels. This should also include vocational training and apprenticeships, especially in dual apprenticeship and training systems. Refugee camps often function like cities, refugees elect their own mayor of the camp and other public functions.

For migrants it is a big step to decide to be self-employed and subsequently to become entrepreneurs. The question the EU and its MSs should raise is how to help with the mentoring of these individuals, how to facilitate information exchange despite language barriers, and how to use modern technologies for these purposes. The initiatives have to provide language training and the training structures should also contain chapters on how the legal framework works and how to get access to finance. Initiatives should also take advantage of the knowledge of local communities and should create an infrastructure to facilitate knowledge exchanges.

There is a pilot project for young entrepreneurs (Erasmus) and now the EU has developed a software application that helps with finding jobs in the area of science (matching employment seekers with available positions). The EU should develop more activity on the Blue Card Directive. Overall, entrepreneurship is key to solving the current crisis and the EU should exploit help from other international organisations, for instance the UN Entrepreneurship Pilot Programme.

Mr Rübzig concluded his intervention by restating that promoting migrant entrepreneurship is a win-win situation for migrants as they are seeking better opportunities and for the EU that needs to increase its growth and competitiveness.

## **6. Practices to support Migrant Entrepreneurship III**

*Ms Tara Mikhael* Business Development Manager, Migreat

*Ms Tülay Tuncel* Start-up services/Migrant Enterprises, Vienna Business Agency

*Ms Lieke Vollenbroek* Ministry of Security and Justice, and StartUpDelta

Ms Tara Mikhael, Business Development Manager at Migreat, introduced Migreat, a platform for migrants that offered access to information and services in 12 different languages. The platform broadened their reach to include refugees and customized events for different communities. Migrant entrepreneurs offer unique and differentiated goods and services and help facilitate trade between the countries of origin of migrants and the host-country. Through migrant entrepreneurs, local competitiveness is contributing to both the improvement of local skills and to social and cultural development.

In the UK there is now a higher proportion of women start-up businesses as a study on contributions of UK migrant entrepreneurs by Centre for Entrepreneurs and DueDil shows. The study also shows that 1 out of 7 companies in the UK are owned by someone from a migrant background and overall migrants are responsible for 14% of SME job creations which translates to about 1.16 million people.

Migreat especially focused on providing information and support on visas. Some of the barriers migrants face regarding visas are a long application time, restriction on employment rights, unrealistic visa extension requirements and that migrant entrepreneurs are often not seen as “equal” to national entrepreneurs.

Ways in which the EU could attract migrant entrepreneurs would be to create a dedicated entrepreneurship visa, easier visa for change of status (from student to professional) and visa extension (no fixed time or amount of revenue), setting a minimum capital requirement. For instance, in the case of the UK, capital requirements are not appropriate, as some type of business, for instance e-commerce, do not require significant initial capital.

In addition, very often case workers processing migrants request are not business experts. This should be changed. There are also many cultural and language barriers. There should be a more holistic approach to visas and open other visa routes for entrepreneurs.

Ms Mikhael concluded that visa policy should be open and immigration policies should be flexible. There is also the need to prevent brain-drain of international students once they finish their studies. There is a platform called Techfugees<sup>3</sup> where technological enterprises help refugees.

Ms Tülay Tuncel, Start-up services/Migrant Enterprises of the Vienna Business Agency, said that about 37% of companies and their owners in Vienna have a migrant background. There are approximately 8000 new companies founded every year in Vienna and 52% of these companies are owned by other than Austrian nationals.

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<sup>3</sup> <http://techfugees.com/>

The Vienna Business Agency offers support in several ways, including for instance free coaching on establishing, financing, expanding a company and access to knowledge (Start-up Academy). It offers a comprehensive support for all Viennese founders. But there are special offers with services for two main target groups – women entrepreneurs and migrant entrepreneurs.

A key success factor of the initiative for migrants is that the coaching about business plans, legal framework or access to market is provided in 15 different languages. Another key success factor is the fact that coaches themselves come from migrant backgrounds. They also help participants develop business plans and provide information on how to deal with banks and other financial institutions. They help migrants better understanding the possible success and failures of an entrepreneurial venture, and assess opportunities and possible risks. The Start-up Academy covers topics from bookkeeping to taxes or marketing. It also cooperates with adult education centres, offers various workshops, promotes networking through organizing Business Breakfast and the Start-up Services also organizes talks with communities and embassies.

Another example of the key success factor of the initiative is that the implementers first analysed Vienna districts, they mapped the areas with a major concentration of migrants and because very often migrants work in the same borough of where they live, they targeted those areas with specific events for migrant entrepreneurship.

Moreover, the Start-up Services collaborates closely with different events like the week of integration in Vienna.

Ms Lieke Vollenbroek, Ministry of Security and Justice of the Kingdom of the Netherlands and representative of the StartUpDelta, first introduced changes in entrepreneurial policies in the Netherlands. The Netherlands has recently adopted new policies regarding entrepreneurship and start-up businesses. The Entrepreneurship Action Plan introduced 30 actions and included a scheme for non-EU start-up founders.

The initiative StartUpDelta was founded in January 2015 by former Commissioner Neelie Kroes. It aims to link up all the start-up hubs in the Netherlands and to help change the system to make the process of setting up a business easier. For example, the initiative is supporting tax reduction for those who invest in start-up businesses, promotes programming and coding classes as part of the curricula in schools, and provides coding classes for migrant women. They collaborate with the corporate sector and support the creation of a European start-up visa (currently only 8 MSs have start-up visas).

StartUpDelta also operates an on-line portal (a key factor of good practice) through which it disseminates information about setting up a business, access to funding and others in a virtual start-up toolbox that will include information about visas in the future as well.

There are various types of visa in the Netherlands and the system will be modified in July 2016 to be more accessible. There are various initiatives on the regional level, for example, the city of Amsterdam came up with its own action plan for entrepreneurship and employment where it



supports a specific incubator programme. There is also a private initiative called Incubators for Immigrants.

## Q&A

At the end of this part of the conference the Chair opened the floor for questions.

Ms Christine Sullivan of Fragomen Global LLP pointed out that migrant entrepreneurs are prevented from taking advantage of the free movement of services as they are not allowed to freely provide services in other MSs.

Ms Marie Boscher from DG GROW responded that the issue of internal mobility rights for third-country nationals is on the agenda of the Commission and that the possibility of EU Start-Up Visa is being explored.

Ms Efka Heder, Director of the South East European Centre for Entrepreneurial Learning, wanted to know how migrant entrepreneurs contribute to business transfer and hand in hand entrepreneurship and how cooperatives collaborate with corporate sector partners.

One of Ms Vollenbroek's StartUpDelta's focus points are cooperatives and there are many in specific sectors such as IT or health.

Ms Moini pointed out that in Norway migrant entrepreneurs have to master the language to set up their own business and wanted to know if it is the same in Austria.

Ms Tunlay replied that the Start-up Academy uses coaches that speak the native language of the participants to help them understand the information provided and to make the scheme more accessible. Later on, the knowledge of German is of course desirable and to this end the Academy offers courses on business German.

Ms Tebussum of BTEG added that using native language in teaching helps migrants understand the realities of running their own business better.

Ms Maria Vincenza Desiderio from the Migration Policy Institute Europe mentioned a scheme run in the past (was not sure if it was still running) by the Swedish Ministry of Foreign Affairs where Swedish and migrant entrepreneurs interacted with each other and migrant entrepreneurs helped their Swedish counterparts internationalise their businesses.

## **7. Debate**

*Ms Maria Vincenza Desiderio* Policy Analyst, Migration Policy Institute Europe

The debate was moderated by Ms Maria Vincenza Desiderio, Policy Analyst at the Migration Policy Institute Europe, who suggested that in the first part of the debate conference participants should concentrate on the various areas that migration policies influence, what part/kind of measures migrant entrepreneurs face, the potential need for migrant-specific measure as opposed to mainstream ones, specific ways to help migrants access finance and what is the value of migrant entrepreneurs.

The representative of the Presidency of the Council of the European Union highlighted that the current Presidency put this topic on the agenda of MSs. There is a team focused solely on migration and asylum and a separate Council on the issue of legal migration will take place. In the coming months an Action Plan for Integration should be published.

A representative from DG Home added that a Legal Migration Communication will be presented on 2<sup>nd</sup> March 2016 and a revision of the Blue Card will be published at the end of April (27/04). In the coming month an Action Plan on Integration should be finalized together with a broad initiative on entrepreneurial third-country nationals including innovative entrepreneurs.

Ms Sara Corres from the Spanish Ministry of Employment stressed the need to create an environment for migrant entrepreneurs. For example, In Spain residence permits were not supporting entrepreneurs before 2013. Migration framework also has to take into account the needs of the business sectors. Time in which paperwork is processed is crucial, for example resident permits in Spain are dealt with within 30 days. In Spain there is no minimum investment or jobs created requirements for setting up a business. A case by case analysis is needed and access to market has to be provided together with family support for reunification. Migrant entrepreneurs have to have access to general policies (in Spain there is a specific unit earmarked to help with all requirements for migrants). General policies should also provide information and diversity support. Communication is also very important. The Spanish government has established a specific unit within the Foreign Direct Investment Agency to support/attract migrant entrepreneurs

Ms Elisa Vitella from CAN (Italian National Confederation of Artisanry and SMEs) highlighted the number of SMEs led by migrants. It is necessary to provide information for new entrepreneurs. In Italy there is a Research and Study Centre on Immigration (IDOS) that will host a round table next month about this issue. The Centre analyses entrepreneurial system of immigrants especially in the areas of construction, trade, tourism and food. It is also important to establish contact and communication with other initiatives.

Ms Desiderio agreed that contact and exchange of information is very important and asked how the initiatives ensure that it is provided.

Ms Kornelia Lienhart from the Austrian Federal Economic Chamber Permanent Representation of Austria to the EU stressed the importance of language and language training and using both native and host-country's languages to learn the pertinent vocabulary and to understand all the details. It is necessary to provide information (the Chamber provides information in 8 languages) and cooperate with cultural associations and ethnic communities. For example, in Austria the Chamber organises many events and distributes materials in various languages. There is a tailored approach at the local level and mentoring is a very important measure.

Ms Desiderio asked: how does the Chamber engage/find mentors?

Ms Lienhart replied that the Austrian Chamber of Commerce receives many request from already established entrepreneurs to be mentors.

Mr Ram highlighted the CLIP study that discovered that the focus is mainly on supply side measures and there is a lack of demand side measures bordering on discrimination. Overall, there are structural issues as there is no mechanism to ensure that mainstreamed measures contain a diversity element.

Ms Moini mentioned a business study in a Norwegian city with 50 000 inhabitants. The study focused especially on the moving and transport sector and found that there were 400 companies operating in the transport sector which is quite a large number for the size of the city. Therefore, the Norwegian Center tries to focus on supporting innovative entrepreneurial ideas rather than just facilitating setting up companies, especially in over-crowded markets.

Mr Huddleston stressed that there is a European website on entrepreneurship and mentioned a project called Diversity in the Economy and Local Integration (DELI) that the Migration Policy Group did for the Council of Europe. Initiatives should play the role of match-maker between mentors and entrepreneurs and should make sure that entrepreneurs are informed about opportunities, or help set up migrant entrepreneurs with potential buyers. There is a lack of local data which is discouraging since most of the practical measures have to be taken on the local level. On the other hand, he was sceptical about how the EU could reach the local levels.

Mr Peter Lennox from the Overseas Entrepreneurship HPSU Division of Enterprise Ireland emphasized the need to provide guidance to entrepreneurs and the need to provide entrepreneurs with information about other agencies that need to be contacted, such as food safety or service providers.

In the second part of the debate, Ms Desiderio enquired about the added value from the EU to the exchange of information and what role the EU could play. Should it provide its support in the form of a platform or network to bring together different ideas and stakeholders? What role should the EU play in collecting data or evidence bases?

Ms Tebussum mentioned the “Elemental project”, which set up community access points and community entrepreneurial hubs providing information and materials by banks and local authorities to the local community.

Mr Larry Moffett, one of the founders of the Refugee Hackathon initiative introduced this project that was set up to help refugees in Belgium. There have been 6 hackathons and during which the possibility of modifying mainstream initiatives was explored to fit the needs of migrant entrepreneurs. The next step is to organise an EU level hackathon in June which might coincide with the presentation of the study on migrant entrepreneurs.

Mr Fabian Uebbing from the German Association of Craft highlighted the need for skills and especially the shortage of entrepreneurial people with skills. The Association has started a

campaign to attract people from outside the EU to apprenticeships in Germany. The EU should try to collect all practices regarding migrant entrepreneurs in each of the MSs.

Mr Philippe Drouillon, also from the refugee Hackathon initiative welcomes any coordination from the EU level, however, there is a need for middlemen to replicate initiatives.

Mr Gosau emphasized that the Association of German Chambers of Commerce and Industry will spend about €20 million on entrepreneurial and vocational training of migrants which would not be possible if the measures that the chambers apply to member's fees were to change as the EU demands it. (the EU criticises Germany on compulsory contributions to chambers of commerce and sees it as hindering the single market and competition).

Ms Zobnina questioned the EU's design of tender calls and pointed out that on the structural questions local organisations have no way to fulfil the requirements, for example in financial capacity. There is also no one correct way to measure success of an initiative that can be applied universally. There need to be more humane requirements and not just economic ones.

Ms Heder agrees with a creation of a European portal for migrant entrepreneurs but it should be open to contributions and not just offer information. She also supports harmonised data collections and pointed out that the Swedish Presidency came up with a tool for women entrepreneurs but does not understand why this tool is not used anymore.

Mr Huddleston pointed out that there are many studies on best practices but a potential network should be oriented more towards actual actions and practical learning. It should also offer positive incentive and invest in best practices.

Ms Desiderio concluded the debate by asking if there is a scope for real support of implementation.

The Chair replied that the first step is to identify best practices and then the transferability and conditions for success can be developed further during the completion of the study on good practices.

Mr Iwinjak added a comment that measures should be action oriented and should serve as a tool for development. Creation of cooperatives and clusters should also be considered.

## **8. Closing remarks**

*Ms Hélène-Diane Dage* Deputy Head of Unit for Clusters, Social Economy and Entrepreneurship, European Commission, Directorate General for Internal Market, Industry, Entrepreneurship and SMEs

Ms Hélène-Diane Dage, Deputy Head of Unit for Clusters, Social Economy and Entrepreneurship of DG GROW, explained that supporting migrant entrepreneurship was one important pillar of the entrepreneurship policy, and that the ongoing study to identify best

practices to support migrant entrepreneurship would build upon this conference and lead to calls in 2016 funded by COSME and the European Parliament.

Ms Dage then wrapped-up the specific barriers faced by migrant entrepreneurs which had been highlighted during the course of the conference. The first barrier is visas, with scope and duration not necessarily compatible with entrepreneurship, and the second barrier is language. Trainings could therefore preferably be delivered in the native language of the migrants, so as not to lose the momentum of the business concept, since the learning a new language takes significant time. For example, the Vienna Business Agency is providing trainings in 15 languages. The third barrier mentioned was the recognition of diplomas and access to regulated professions, and the fourth, the knowledge of markets. Finally, access to finance had been earmarked as a main stumbling block, but with some communities experimenting less problems than natives and others even more.

Ms Dage then earmarked that the fundamental role of Chambers of Commerce had been highlighted during this conference, especially as major vocational and business education providers, but also as mentoring providers, which is a major success factor for entrepreneurship. Most participants did not see an obvious need of developing additional business support schemes specifically for migrants, but stressed the need of existing schemes adapting and reaching out to their communities, since Chambers of Commerce and other mainstream business support organisations are often not natural interlocutors for migrants.