



M A G N E T

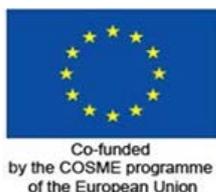
Synthesis report

“Migrant Entrepreneurship Support in European comparison”

Focus groups with experts from organisations that provide
support to migrant entrepreneurship

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1 Introduction

1.1 Background – MAGNET project

The main objective of the MAGNET project is to promote the improvement, further development and broader dissemination of pre-existing support schemes for migrant entrepreneurs. MAGNET is the acronym for “Migrant Acceleration for Growth – Network for Entrepreneurship Training” which highlights that the focus of the MAGNET project is on broad and holistic networking activities in the migrant entrepreneurship support field.

The MAGNET consortium consists of eight partners from different European countries, displaying a broad diversity of stakeholders in the migrant entrepreneurship support field. The project is being coordinated by the Department for Migration and Globalization at the Danube University Krems, which brings in a scientific viewpoint on the topic. SINGA Germany already runs an entrepreneurship incubation program, the first of its kind in Berlin, that focuses on the positive potential and needs of newcomer entrepreneurs interested in starting a business or social venture in any sector. The Microfinance Centre from Warsaw is the largest access to finance network in Europe and the countries of the former Soviet Union, uniting 103 members representing a diverse range of institutional types along the access to finance value chain. TERN – The Entrepreneurial Refugee Network in London – is a social enterprise enabling entrepreneurial refugees to access the support they need to start a business. DELITELABS from Amsterdam is a not-for-profit Start-up School that offers entrepreneurship courses, support and mentoring to recent migrants in the Netherlands. The Greek partner institution I.A.T.A.P., the Technology & Human Resources Institute, is a not-for-profit NGO offering integrated services and training for the acquisition of high-quality entrepreneurial skills. It has been accredited as a Vocational Training Centre (VTC). The University of Finance, Business and Entrepreneurship from Bulgaria is a further academic partner who is actively supporting the innovation eco-system. The European university continuing education network (EUCEN) aims at contributing to the economic and cultural life of Europe through the promotion and improvement of the quality of Life-Long Learning and continuing professional development within higher education institutions.

1.2 Methodology

The MAGNET project team conducted between June and November 2019 nine meetings with experts from leading organisations that deal with migrant entrepreneurship in eight countries, namely Austria, Bulgaria, Germany, Greece, Poland, Belgium¹, Spain and UK. The

The focus group was held in Brussels on 25 September and involving organisations working at European rather than national level, therefore there was no specific country focus in the discussion.

meetings were participated by 77 organizations' representatives. Most of those organisations have already subscribed for MAGNET network.

The methodology of this qualitative study also supports the quality of the information received. The experts groups were organized and conducted according to the established principles of focus group studies. The moderators have experience in such kind of qualitative research and in addition, training for moderators was conducted. All expert groups were carried out following a common questionnaire that structured the sequence of questions raised and discussed. The final reports by all moderators were also structured according to the common instruction.

The opinion of the moderators as to the quality of the discussion could be grouped in the following:

The expert groups were welcomed by the participants. There was high interest and in spite of the busy schedule most invited organisations participated. This fact proves the need and desire for networking and cooperation between the main stakeholders in promoting migrant entrepreneurship.

The experts group was also a learning exercise. The participants were active in clarifying who does what in migrant entrepreneur support and also about MAGNET and how they could benefit from the project depending on their mission and status.

There were no controversial positions during the discussions and overall consensus was built in highlighting the importance for creating opportunities for networking and cooperation in supporting migrant entrepreneurship. There are a lot of organisations and social enterprise led support. The support though seems fragmented and no one who is bringing them together.

The expert groups turned to be a rather successful attempt to gather (in some countries for the first time) key organisations that support migrant entrepreneurship. The focus group discussion was a good opportunity to initiate discussions about migrant entrepreneurship. It was also a foreword thinking exercise and what should be done in the future was discussed.

The expert discussions brought great value, not only in light of the content discussed, but also as a good networking opportunity. Overall, there is a need to raise awareness for the topic, for networking between organisations and for further research on the scope of migrant entrepreneurship.

Most of discussions ended with a decision for a follow up activities and other meetings to extend the exchange.

The collected information from this survey represents the opinions of the experts' whose primary work is related with migrants' support. They understand migrants and their

problems. From this perspective the focus groups discussions enriched the knowledge on the subject, as participating experts emphasized, there is little special and structured information about the needs of migrant entrepreneurs.

This report could be useful for migrant support organisations, governmental institutions, NGOs as well as for academic purposes.

2 Institutional framework for migration

Migrant entrepreneurship support could be understood in the context of developing the overall migration policy. The expert discussions gave the opportunity to compare the general institutional framework for migration and migration policies in the seven countries. There is a large support network for refugees and migrants (not directly related to entrepreneurship).

The scope and efficiency of migration policy varies between the countries. In traditional immigration countries migration support framework is well developed. In the new immigration countries and those with small incoming migration flows have less experienced and less developed migration support institutional framework with stronger participation of international and European institutions than national central and local organisations. In those countries NGOs that are branches of large international organisations also play an important role in migration support and integration policies.

Although at different level of development, in general the institutional framework for migration policy consists of public authorities (relevant ministries, ministry of labour and its labour offices), international organisations (UN and EU organisations). NGOs play an important role while only in few countries the experts mentioned an involvement of business organisations. In some countries experts pointed out the important role of local authorities.

Entrepreneurship support is part of general migration support framework. However, few organisations deal primarily with migrant entrepreneurship support. There are such several participating in MAGNET project.

Central authorities in most of the countries provide general support to migrants (residence, education to children, language, labour market services, etc.). Entrepreneurship is not recognized as a priority of their policy. In most of the countries ministry of interior (and its migration agencies) is indicated as a main stakeholder to regulate admission and residency of migrants, while issues relating to the socio-economic integration, and migrant entrepreneurship in particular, concern different ministries in the studied countries, as for example the Ministry of Economy in Germany. Public authorities play a major role in migration policies but their expertise and experience in promoting migrant entrepreneurship in general is poor although some countries' public authorities are more advanced.



Benefit agencies such as job centres for the unemployed are mentioned by the experts as important institutions that provide support to migrants but in most of the cases not related with entrepreneurship. Public labour offices provide job search and placement services for migrants but they do not have active policy encouraging migrants to start business. Some experts participants in the focus group discussions noticed that public labour offices have no capacity to support start-up businesses but could cooperate with other stakeholders and also with universities to provide training and mentoring to migrants.

Migrants could benefit from general schemes for start up business that is available in some countries (Austria, Bulgaria). There are few active labour market measures offered by the national employment authorities that aim at encouraging entrepreneurship of mainly unemployed people (foreign citizens who reside legally are also eligible if comply with the entry criteria the same as the nationals). The problem though is that such measures have rather stringent eligibility criteria and are not popular even among the local unemployed. For migrants it is even more difficult to take advantage of this opportunity.

According to the experts there is a need for targeted training for migrants who register in the public labour offices and who want to do business.

NGOs being involved in migrant support and integration are also active and recognize entrepreneurship as a powerful tool for integration. Being at the front line dealing with migrants such a support is provided by international organisations (UNHCR, Red Cross, etc) but it is not their primary goal. In the best case, they provide language and basic information about the country, regulatory framework, the rights and obligations of migrants. Local NGOs play a major role in migrant entrepreneurship since they are more focused on that subject and their experience and expertise is growing.

In some group discussions, banks are mentioned as main stakeholder (Austria, Germany, UK). In Austria there is support by the Austrian Federal promotional bank for low-interest loans, guarantees for bank loans, grants and equity which is supplemented by the service centres of the Austrian Incubator Network AplusB (e.g. INIT in Vienna, accent in Lower Austria, tech2b in Upper Austria).

In some countries (Bulgaria, UK), the role of universities is emphasized. Some universities have good experience in helping students who want to start business. This rather incidental work is based on volunteering from some of the professors. The universities are interested in both how to attract students among migrants and how to help their foreign students who want to start business. There is a room for cooperation between universities in elaborating a programme for migrant students support in starting business and stimulating entrepreneurship among them. This could be achieved if university teams could provide not only education but also mentoring.

3 Key Stakeholders in Migrant entrepreneurship support by country

Focus group participants identified the following key stakeholders for migrant entrepreneurship support:

Country	Institutions
Germany	<ul style="list-style-type: none"> • Migrant entrepreneurship support organisations, such as SINGA • The Berlin City Senate (the Municipality) • The Federal Ministry for Economics • Private and Public Banks • Benefit Agencies such as Job centers for the unemployed • The large support network for refugees and migrants (not directly related to entrepreneurship)
Bulgaria	<ul style="list-style-type: none"> • Indirect support from NGOs that deal with migrants but no specific support for migrant entrepreneurs • Ministry of Labour/labour offices although they offer positions at employers not self employment services • Universities (encourage foreign students to start business)
UK	<ul style="list-style-type: none"> • There are lots of universities and academics involved, but people aren't talking to each other • The Centre for Entrepreneurs (important in organising on a national and global stage acting as a front man for grassroots effort). • NGOs are pushing forward the support
Austria	<ul style="list-style-type: none"> • (Public) mainstream entrepreneurship support programmes/agencies, such as business chambers, Austria Wirtschaftsservice, Austrian Incubator Network AplusB (e.g. INIT in Vienna, accent in Lower Austria, tech2b in Upper Austria). • Public Employment Services (has an entrepreneurship programme) • Public authorities regarding residence titles, regulated trades, recognition of qualifications • Migrant support organisations/centres, such as Anlaufstellen für Personen mit im Ausland erworbenen Qualifikationen (AST). • OeAD (Austrian exchange service agency) • MTOP (More than one perspective)



Poland	<ul style="list-style-type: none">• Caritas Polska, Centrum Pomocy Migrantom (Migrants Support Centre): The Center hires people, all migrants (Ukraine, Lithuania, Belarus).• Foundation Ocalenie: strong local NGO, offering Polish classes, legal advice and administrative support (residential and work permits) and support services from finding a place to live to finding a job.• Fundacja na Rzecz Różnorodności Społecznej: they are focused on working with children and adults to help migrants integrate into schools and society.• Fundacja dla Wolności: they work in refugee camp near Warsaw offering psychological support, Polish classes, after school classes and sport activities for kids, paper work support; they focus on women and their children• Foundation for Somalia: integration of refugees and trainings and legal advice in entrepreneurship (60 people to be trained within the period of 2018 and 2020)• Stowarzyszenie Interwencji Prawnej: legal advices for employers.• Foundation Lingua Mundi: offers Polish language courses for migrants
Spain (Catalonia)	<ul style="list-style-type: none">• Autoocupació• CoachStartups• Dones pel Futur• Fundación Tomillo y Casals dels Infants• Open Cultural Center• Oportunitas• Servei Solidari• SINGA España• Trellall Solidari/Acció Solidària Contra l'Atur (ASCA)• Banca Ètica• Barcelona Activa• Coop Halal• DonaActiva• Institut Català de Finances• Laboral Kutxa
Greece	<ul style="list-style-type: none">• European Asylum Support Office• International Organization for Migration• Greek Council for Refugees• European Council on Refugees and Exiles• UNHCR• National Commission for Human rights• The Greek Ombudsman

	<p>The above mentioned organizations undertake the support and help of refugees for the asylum and permit of residence procedure and the safeguarding of their rights</p> <ul style="list-style-type: none"> • entre.gr -> supporting of social entrepreneurship of migrants • Business and cultural development center -> Entrepreneurial training to young migrants • Council for migrants' integration to Greek municipalities -> recording and investigating problems faced by immigrants who are permanently residing in the city for their inclusion in the local community • Entryway Project -> Support the economic integration of immigrants by providing integrated business training and support
Belgium/EU level discussion	<ul style="list-style-type: none"> • European University Association (EUA) has become a partner of the TandEM project (Towards Empowered Migrant Youth in Southern Europe), led by the International Organisation for Migration (IOM). The project aims to improve higher education integration of third country nationals (TCNs), and to contribute to making societies in Croatia, Cyprus, Greece, Italy, Malta and Spain more socially inclusive. • The European Student Union (ESU) concentrates on access to educational and labour opportunities, helps promote and support the Refugees Passport as one universal tool to make the process of recognition of prior learning for refugees easier and quicker. • Bantani Education and Research works collaboratively to support and develop entrepreneurial learning policy and practice. Their European projects (e.g. Cradle; EntreCompEdu) allow them to engage with different target groups in several EU countries. • The Movimiento por la Paz, el Desarme y la Libertad (MPDL), a full member of Solidar, is one of the main promoters in Spain and Southern Europe that develops a comprehensive advisory service for self-employment and the creation of microenterprises directed at long-term residents as well as newcomers.

The expert discussions revealed the important role of local authorities in migrants' support and particularly for migrants' business. In most of the countries, there is no established institutional framework for migrant entrepreneurial support on local level. It is mainly concentrated in the capital city. In the capital cities the services provided and general support to migrants is well developed. The survey indicates that in all countries in the rest of the territory the services are less developed. In most of the cases migrants are concentrated in the capital cities as well as NGOs that support them. Accessibility in the rural areas is also



limited. The survey also indicated cases of hostile attitudes of local authorities towards migrants. (Bulgaria)

Experts considered that it is still very early stage for migrant entrepreneurship support, and there is a need for organisation around common ideas and activities. There are many people with passion and enthusiasm, but very little real experience. The feeling is that a key institution and an event is necessary to bring everyone together—a sense of ‘parallel lines that don’t join up’. There are bottom-up pockets of support rather than a top-down approach—needs more of the second element.

NGOs are an important driver of the institutional framework for migrant entrepreneurship support. Although to a different degree in each country the institutional framework for migrant entrepreneurship support is fragmented, there is no coordination between the stakeholders. In some countries (Bulgaria, Poland, Greece), though almost no one institution focuses only on migrant entrepreneurs.

4 Most crucial migration issues

Participating experts have a long experience in supporting migrants and they possess the expertise to identify the most important migration issues. There are both, common and country specific issues, which are related with the different migration situation in the countries.

The discussions were influenced by the current economic situation in the country as well as a long-term challenges related with the worsening demographic situation. The experts recognise that public perceptions and attitudes towards migration are driven more by the short-term factors rather than the long-term challenges.

Among the common crucial issues about migration, experts consider the increasing polarization of narratives. The group discussions revealed that the position of migrants in the society is a common problem. The strong voices from migration critics make a rational debate harder and integration very difficult. Perception of refugees and migrants as a burden rather than contributors—they all want to contribute, but many are not given the chance to do so—this is particularly relevant to the destructive asylum process

According to the expert groups participants there are a lot of negative public perceptions about migrants. There are differences in perception between countries of origin (e.g. between refugees and EU migrants). During the discussions, a very strong agreement was reached that battling the negative perception of refugees and migrants, as a burden is a central issue.

The different situations in each labour market influences migration policies and the employability of migrants. While in Greece the weak labour demand gives no chances for

migrant labour, in Poland the labour market absorbs large labour migration from Ukraine predominantly.

Integration and public attitudes is strongly influenced by the origin of migrants. The EU migrants are well integrated and they do not face major problems in the receiving countries.

Experts consider the fundamental transformation of labour markets and economies in last 30 years that has changed labour market needs and has implications for migration policies (attracting the 'right' skills) and integration policies (training/supporting according to labour market needs).

One of the main obstacle to migrant integration are the professional qualifications. National professional qualifications are rather rigid and there is a difficulty for migrants to fit. Previous work experience of migrants goes unrecognized. Transfer of foreign qualification and competences (including non-formal learning abroad) remains a challenge (economic pressure to accept first job, lack of bridging programmes).

The discussions confirm that one of the main issues for migration and particularly the integration of migrants is the learning of local language. Although it is broadly recognised that this is the entrance door for integration, the strong focus of learning the language may lead to neglecting other aspects of human capital development and the need for further education and education measures.

Country specific migration issues discussed by the experts are as follows:

Austria: the experts discussed general challenges related with the demographic change and economic transformation (declining working age population, adjusting education and training systems, satisfying labour demand through migration). A specific challenge regards scattered (online) information of the legal and regulatory framework, stakeholders, available funds for migrant entrepreneurship etc.

Bulgaria: The potential for integration and contribution to the economy of migrant entrepreneurship is not still recognised. MAGNET project is the first project that puts this topic in the agenda of main stakeholders. The media misleads the public about migrants and their role and potential. How to find and motivate migrants to integrate. After receiving their status it is hard to find and involve migrants in support programmes. Some NGOs receive financing to deal with migrants but they cannot secure enough participants for their projects.

Germany: Duration of residency permits: The maximum for refugees is 3 years. It can (and usually will) be renewed, but the uncertainty hinders integration and a long-term perspective in Germany. Slow process of family reunion makes places a great strain on families.

Spain: Provisions of Spanish Immigration Law slow down the integration of migrants into the society and its labour market, also restricting the scope of action of the local organisations



working in the sector. Unemployment, job insecurity, and poverty affect the immigrant population disproportionately. Support mechanisms (public or private) tend to focus on economic and financial needs of the individual, often disregarding the psychological and social issues commonly faced within the migrant and refugee communities.

Greece: Due to economic crisis in Greece, job finding is even harder and new business beginning also. Migrants are vulnerable to exploitation as they are not familiar with regional rules. Migrants are vulnerable to be victims of criminal activities. Due to their illegal entrance in Greece through Turkey, Greek market has to more migrants than the ones that it could deal with.

Poland: The Polish migration considers mostly comers from Ukraine, followed by Belarus, Lithuania, Russia. Migrants from these 4 countries have easier access to the labour market in Poland, compared with nationalities of other countries, from outside Europe. There is a change observed in skills of migrants from Ukraine (key country of origin): initially, lower skilled came to find a job. Currently, more, better-educated, and more experienced people are coming to start a business in Poland.

The Polish labour market is untapped, and continues to absorb large numbers of migrant workers. Despite the demand from many SMEs, the smallest companies often resign from hiring migrants due to high time costs of arranging permissions. The intermediaries companies to help out polish SMEs with the paper work, usually set up and run by migrants, charge between 40 and 60% of migrant's income.

The current government officially does not support migration to Poland, especially from outside Europe. Both the governmental and EU funding channeled through Polish administration have been significantly limited, cutting off the NGOs from the so far main funding sources. Interestingly enough, this led Polish NGOs to pro-actively change their funding strategies, shifting the focus to individual fundraising. This was coincidental with the change in Polish society (post-transformation), which became more active in taking responsibility for civil society, recognizing the need to contribute by donating.

UK: Refugee experience defined by things which have 'real psychological consequence'. A lot of people spend 10 years waiting for asylum, and the average wait in a refugee camp is 20 years. There need to be better counselling and mental health services offered. There were successful integration programmes run before, but change of government in 2015 has created need to seem new and different, which caused the cancellation of these programmes-entirely political, not practical.

Some of the most relevant issues across Europe were pointed out during the expert group in Brussels:

- Newcomers' difficulties to access any bureaucratic or financial information constitute one of the main factors for the widespread lack of knowledge regarding

European classifications of skills and competences as well as the systems for their recognition

- Widespread absence of competence-specific training programmes in spite of the mandatory linguistic training - often unrelated to professional and educational environments that may interests the newcomers.
- Long-standing need for improving the European institutional network that should enable the integration of newcomers and people with migrant backgrounds in its different forms across the continent and thus foster migrant entrepreneurship as well.

5 Migrant entrepreneurship support

The organisations represented in the focus groups provide either personalised support through specific entrepreneurship programmes (start up/scale up support) and/or provide related support (e.g. with residence titles) or refer clients to specialised organisations. They have different target groups/clients ranging from tertiary educated EU/non-EU migrants to second and third generation migrants and refugees. The discussions helped understanding the risks, obstacles and benefits of migrant entrepreneurship. There was a broad agreement about the obstacles migrant entrepreneurship face:

Start-up business in most of the cases needs support. This is even more needed by migrants who have no knowledge about the society and the market. Experts emphasized that in all countries under consideration there is no sufficient support dedicated to migrants who want to start business. According to experts, migrants feel uncertain and cannot make long-term plans. Those who want to learn and start business need to receive some scholarship (financial support during the training) otherwise, it is very difficult for them to participate. The experience of participants in the group discussion suggests that some of migrants want to start business but in very limited professions: hair dressers, drivers, etc. This is related with the easier access to those professions in the receiving countries.

The main risk and obstacle is the lack of knowledge on the part of entrepreneurs as regards the economy of the host country as well as the possibilities and opportunities to found businesses, the market niches and competitive sectors. This was widely seen as part of a wider context in that newcomers need to find their ways round a complex society and bureaucracy.

The lack of social networks (“for start-up’s you need a team”) is considered as another major problem. There are no professional networks, no social networks, no funding networks, no general support networks. There was a feeling that new arrivals are without networks that we completely take for granted, and this is a substantial factor. Many do not even have their family for support, which is just as important on a psychological level as it is on the other aspects.



In spite of the different level of complexity of legal and regulatory framework for business in each country, migrant entrepreneurs face significant problems in understanding and coping with regulatory and administrative systems. Main problem is taxation system since it requires expertise and additional costs to employ specialised consultants/accountants. In addition, the requirements for residence titles, recognition of foreign qualifications, etc., create difficulties for migrants who decide doing business. Administrative procedures are major burden for migrants since all documents and applications need to be filed in the local language. This requires substantial costs for translation to be incurred by the migrant and make their business less competitive as compared to the local one. In order to resolve this problem very often migrants get a payed employment and after several years of acquiring experience and expertise they start business.

Duration of legal entitlement to stay is also an obstacle. Banks are usually not prepared to lend money to those with permits of less than three years. Even microcredits are hard to get.

Lack of equity and/or economic pressure to sustain one's living ('cannot afford to fail') act as barrier to become an entrepreneur.

Migrant communities can be an important source of information for potential (newcomer) migrant entrepreneurs. Therefore, they can be relevant multipliers. However, experts also reported that there are cases of misinformation in communities, for example about legal regulations and procedures. It can be difficult to clarify as members of the community/ethnic networks are trusted whereas there might be a certain distance/barriers to general entrepreneurship and/or specific migrant (entrepreneurship) support organisations.

In some countries there are cases of misinformation in communities (Austria) while in some others (Bulgaria) there are cases of hostile attitudes of local businesses against migrant entrepreneurs, i.e. forced acquisitions of their businesses by local businesses.

The experts' observation is that migrants have limited presentation skills as regards their business plans and business advantages that could further burden the marketing and financing of their business.

The experts share the view that in all countries the Governmental support to migrant entrepreneurship is missing or limited.

In Poland there is a law supporting income generating activities by migrants coming from the 5 countries: Ukraine, Belarus, Lithuania, and Russia: they are subject to easier and faster job permission procedures. There is in a place a very good law supporting the integration of migrant's children in the country – however its application in schools remains low. Some of the biggest cities (Warsaw, Wroclaw, Gdansk, Lodz, Poznan) arrange (the local councils) centres for migrants support, which coordinate the inclusion of migrants, including the inclusion into labour market and entrepreneurship – however the number of successful and implement models of such centres is limited to 2-3 cases.

There is also in Poland a special policy supporting the development of social cooperatives: at least 5 people from underprivileged groups (unemployed, women, etc.) can set up a business with democratic management rules. The government offers quite extensive financial support to kick off the business. There are also certain tax exemptions. This legal form can be potentially used by migrants, however the procedures to apply, set up and run this form of business are hardly easier than regular business, thus need support.

6 The benefits of Migrant entrepreneurship

It is important to mention that although in the agenda for the discussions there was a question about the benefits from migrant entrepreneurship most of discussions ignored that question and focused only on the obstacles and risks. Having in mind that the experts are representatives of organisations that support migrants' business, this fact needs attention.

It seems from the discussions that the awareness of migrant entrepreneurship are still limited.

Most of migrants' businesses is of small scale and it is concentrated in services. Most of the companies are small but there are some more ambitious migrant businesses. There is also a difference in entrepreneurship attitudes between young migrant generation and the old one.

In some of the discussions (Poland) experts relate the benefit of migrant entrepreneurship with the current situation on labour market and the need to tap the high labour demand.

Experts indicate as a benefit the increase of workforce of each country, especially with specialties in domains that are not so famous in regional level, human capital development of receiving countries and increasing labour market flexibility. There are also positive fiscal implications - more contribution to taxes and social security systems.

The differences in business culture between the home and the host country matter a lot when migrants deal with businesses.

More opportunities are offered to migrants as paid workers with employers instead of entrepreneurship. According to the experts it is much more difficult for them to start business in a foreign country. Some of highly educated migrants assume positions in multinational companies and in call centres where they receive relatively good salaries which limits the incentive of doing business on their own.

Experts shared some good examples of successful businesses run by migrants.

The risks and obstacles to migrant entrepreneurship hinder the utilisation of this important source of employment, economic growth and integration. The experts from the organizations

supporting migrants think about migrant entrepreneurship rather in small scale – they would like to set up a business, which would generate income both for migrants and their organization. In some countries (Bulgaria) few migrants want to start business (Bulgaria). The main reason is that most of them want to migrate further and they do not want to make long-term plans and invest their limited resources. There are cases of migrants setting up business and then transferring it to another country where the business climate is better and the attitudes to migrants is more favourable. Migrants prefer setting up business in countries where there are larger diasporas where they see more customers and more family and community support.

7 Migrant Business Support

The experts consider the importance of distinguishing when target groups for business support are defined. There are different target groups depending on their migration status (refugees are the main target group), country of origin (EU/non EU citizens), and financial status (rich/poor). Each of them requires specific business support.

There is also a difference in starting business between migrants of different socio-economic status. Measures applied to reach migrants as target groups may be different, i.e.: word of mouth, cooperation with multipliers and expand the organisations' networks, promote one's services at places where specific target groups meet (e.g. mosques), social media networks.

The survey revealed specific challenges for female migrant entrepreneurship. Migrant women are on average less economically active than men, also due to unpaid household and care work. Their education and skills are weaker than that of their husbands but the young women have better education and entrepreneurial spirit than older women. The marital status also play a role. There are better chances for young women to be trained and involved in some programmes before the marriage.

7.1 Sources of information

Both the availability and the access to information is a problem for migrant entrepreneurs. The discussions made it obvious that in most of the countries there is no ONE specialized source of information that migrants could use in order to start business. The information is fragmented in different sources, i.e. governmental agencies, NGOs, universities, business organisations. Some experts mentioned presentation of case studies of good migrant stories and PR campaigns about migrants' contribution to employment and economy. The NGOs provide information on case-by-case basis about migrant businesses.

Access to information is a problem for migrants particularly for the older generation. They do not use computer. They do not use internet. They do not speak the language in order to visit institutions and gain support. Younger migrants use electronic forms of information but

it is fragmented and not focusing on start-up business for migrants. This is general information about start-up business which does not take into consideration migrants' specific needs.

Bulgarian Council on Refugees and Migrants offers comprehensive information for migrants and they will soon upload additional information provided by the VUZF for start-up business.²

In Greece useful information is provided by the Greek Ombudsman, the Ministry of Interior, EPIXEIRO PLATFORM (a platform for the support of migrants' social entrepreneurship)

In the UK there will be specific support from SIREE going live in August-this will be a refugee business specific website. In the UK support seems to have 'mushroomed' in the last year or so- there the support offered varies from private companies, university programmes and NGO and Social Enterprise programmes. TERN (The Entrepreneurial Refugee Network) is also mentioned as a source for business information.

In Austria, the Economic Development Agency of the Federal State of Vienna (Wirtschaftsagentur) Wien has with 'Migrant Enterprises' a specific service centre for migrant entrepreneurs. [We'll include information about: Austrian Business Agency (ABA) regarding start-ups]

7.2 Training facilities

It became obvious during the discussion that training facilities for migrant entrepreneurs are limited and rather fragmented. In most of the countries there few organisation that provides specialised training for migrants who want to start business.

According to some experts, some migrants do not prefer group exercises and group training. They prefer individual training and personal guidance. They are sensitive about the confidentiality of their work and life. There is a consensus among the experts that mentoring and personal assistance is the mostly needed business support.

As regards the methodology of training experts emphasize that online training and internet based training is not very popular among some of migrant groups particularly older ones.

² This is an association of organisations that support refugees and migrants. They provide information to refugees and work directly with them. The Council prepared a very comprehensive presentation on the role of all stakeholders in migration area. www.refugee-integration.bg – this is platform for integration of refugees which is dedicated to the municipalities and the other stakeholders mapping.refugee-integration.bg – Mapping of integration activities and access to rights by refugees.

database.refugee-integration.bg – Data base for interested institutions.

Even the young generation needs some navigation in coping with the large online inflow information.

There was a suggestion to include cultural issues in the training for migrant entrepreneurship since this is one of the main obstacles migrants face.

The expert group discussions revealed the important role that universities play. Their interest is as to how they could help to their foreign students who want to start business. The academia recognizes the need for cooperation with organisations that directly support migrants but have no sufficient resources to do business training and mentoring. There are good examples of involvement of academia in helping migrant entrepreneurship. University of Essex is running a female refugee entrepreneurship workshop, as part of a project called 'Accelerating Women's Enterprise'

In the UK support could be received from Local Enterprise Partnerships (LEPs). TERN also offers support and training for entrepreneurs.

In Greece training is offered by: "Solidarity now – NGO", International Organization for Migration (IOM), Business and cultural development center, Interconnection office of the Agronomic University of Athens

7.3 Migrant business support programmes

The experience of participating countries in business support programs for migrants is rather different. In Germany, Berlin is exceptionally well served with (usually charitable) institutions providing training and support of migrant/refugee entrepreneurs. There is a variety of different approaches to the topic so there is choice for the entrepreneurs concerned. Berlin as a start-up hub within Germany also has a large enough ecosystem to provide additional resources such as mentors. Participating institutions belong to different funding streams: some of them receive funding from the Berlin City Council, others from Federal Agencies and from private foundations. However, ongoing funding for two of the organizations was in doubt as priorities within public bodies seem to shift away from refugee support to other priorities.

Some organizations reported that actors within the benefit system (mainly Jobcenters) place low priority on entrepreneurship preferring to place people in the labor market. Also, there seems to be little exchange between Jobcenters and banks when granting support for unemployed entrepreneurs. In light of the challenges identified above there was a broad consensus for the ongoing need to fund entrepreneurship support for migrants and refugees.

Migrant Entrepreneurship Business Support hardly exists in Poland. There have been only few first pilot projects of limited scale. There are no organizations that specialise in such support, rather it is delivered in partnerships with non-migrant organisations that have capacity to support development of businesses.

In the UK there are several successful programmes.

- Programme at Aston University under Muhammad al Mahameed has helped 50 refugees start businesses
- There is a similar programme in Bristol, which is associated with the Centre for Research in Ethnic Minority Entrepreneurship.
- We also measure impact too bluntly-it is not just about how many people set up businesses-it is about the wider impact of these programmes in terms of education, integration and support.

It can be hard to measure impact at this stage of particular programmes since they are few and still very recent.

8 Legal and regulatory advice, access to finance

The experts were requested to list the main legal and regulatory advice that migrants receive. In all countries the experts consider that the advice is not linked directly with entrepreneurship. There was a broad consensus that most of the legal advice is mainly related with migrants' residence status, accommodation, rights and judicial reviews. Financial requirements to obtain/maintain a residence permit (becoming an entrepreneur can be risky and not an option, if the residence title is linked to proving regular income).

There is no comprehensive single source of legal and regulatory information for migrant entrepreneurs. Provision to get license for regulated trades (need to have respective formal qualification, time and costs to get it recognised, lack of bridging programmes).

Among the most important legal advice experts listed the following:

- Protecting the business idea
- How to keep records
- Business accounting
- Paying taxes
- Registering as self-employed
- Paying the minimum wage to employees

Article 1 of the revised ESC is stipulating that in order to ensure the effective exercise of the right to work the contracting parties undertake to:

1. Recognise as one of their prime goals and at the same time commit it to achieve and maintain the highest and most possibly stable level of employment to achieve full employment.
2. Effectively protect the worker's right to live with work he/she freely undertakes
3. Set up or maintain free employment services for all

4. Ensure or promote appropriate vocational guidance, training and restoration.

Article 18 of the revised ESC concerns migrant workers as it guarantees the right to engage in gainful activity in the territory of another contracting state. It explicitly recognizes the right of movement of their other parts while requiring states to simplify formalities and make the regulations on the employment of aliens' workers flexible.

Several organizations reported that a lot of wrong information are traded within migrant/refugee communities and have to be put right by the organizations

The risks of business failures depends strongly on the efficiency of the regulatory framework for bankruptcy, a legal area where there are huge differences between the countries. When starting business migrants should comprehend what they will lose if their businesses fail and what could be the legal consequences.

There are also country specific legal issues that start- up businesses of migrants face. In some countries it is easier to start business than in another. This makes a difference in the legal and regulatory advice migrants need. For example, it is quite easy to set up a business in the UK, in particular relative to other European countries. Still, in order to have a business bank account, migrant needs a developed business plan. In the UK the risk of a business failing is actually not that big because of bankruptcy process. This information is not known by migrants and that is why they fear setting up a business. There can be confusion about language-e.g. confusion about online marketplaces-some people think this means a real, physical market. Migrants don't know it is easy to learn about the market. There is a lack of information. The government website is actually quite good, but it is hard to find-there is a lack of signposting

In some countries (Bulgaria, Greece) one of main obstacle is the access to driving license. The material to learn requires high command in rather sophisticated local language and the exams are also a problem. Without driving license it is difficult to run a business.

Participants in the expert group discussion in Brussels emphasised on the insufficient efforts by the EU with regards to establishing a coordinated scheme for the formal recognition of newcomers' skills developed within informal and non-formal contexts.

- Unbalanced access for newcomers and people with migrant backgrounds to entrepreneurship and business skills training programmes across the different regions of the EU. Overall, there is a strong need for institutional mechanisms limiting the interregional brain drain, represented by young people, whether European citizens or Third Country Nationals (TCNs), moving away from Southern and Eastern Europe and towards its Northern and Western areas.
- Business support programmes should involve migrant entrepreneurs directly while developing some advertising campaigns or training programmes. First of all, they would likely suit the economic and social interests of Third Country Nationals better;

secondly the presence of such entrepreneurs would help establish a proper relationship of trust between the representatives of business support programmes and newcomers or people with migrant backgrounds.

- Besides, there seems to be merit in focussing on the reach that social media might have on young people eager to learn more about entrepreneurship in general. Amongst them, migrant students may be regarded as a group with specific financial and professional interests, who would favour certain types of trainings over others.

9 Financing migrant businesses

There was a consensus in all expert discussions that financing is one of the main challenges for migrant entrepreneurship (in some countries, THE main challenge).

The experts are in the opinion that the main source of funding of migrant business is their savings. In most of the cases, they receive financial support from relatives and friends in the receiving country and in the country of origin.

Migrant entrepreneurs are outside of the formal financial system. The risky profile and weak creditworthiness of migrants as well as the strict requirements and conservative policies of formal financial institutions make it almost impossible for migrant to borrow. There is a problem also with comprehension of financial instruments.

In most of the cases the maximum duration of residency permits for refugees is 3 years. It can (and usually will) be renewed, but most banks do not accept a residence permit of less than 3 years left on the passport. This makes access to finance very difficult.

In the context of Muslim migrant entrepreneurs, an additional barrier in access to finance is limited supply of Islamic banking (or Islamic microfinance). Although this market grows in Europe, still the access, especially for micro enterprises, is limited.

There is also a lack of own financial resources, particularly from migrants/refugees from poorer countries. Some are able to make up for it by turning to friends and family, but this is not an option for all.

Investors as an alternative to banks or private funds are usually not available to migrant entrepreneurs with business ideas that are NOT considered innovative or scalable, closing down another route to access to finance.

Experts consider that financial institutions are reluctant to give migrants loans since they fear migrants may leave the country. It is very difficult to get a loan without credit history (some of migrants come from cash based economy) and possessions.

Refugees from war-torn countries/failed states sometimes have considerable resources from previous employment or businesses, but this can be locked up in the unstable political situation in their home country. Where assets exist in the home country, often banks do not recognize these as valid security against bank loans.

Work can be sporadic, migrants' lives can be sporadic. They change addresses, sometimes they can be detained – the precariat of this sporadic life affects access to finance.

There is a big difference between migrants and refugees in accessing finance. The residence status strongly affects the access to finance: Longer the residence better the access to finance.

Experts indicated that having a high risk profile migrant borrowers are often subject of “loan sharks” and financial fraud.

The experts listed only few organisations that provide entrepreneurship financing: while in several countries there is no any (Bulgaria), in the UK there seemed to be little knowledge of potential options, but there are Refuid and Restart loans for refugees as two significant parties in offering financial support.

Funding business support programmes in Greece are: those of UNHCR, Stavros Niarchos Foundation (programmes for the Migrants' and Refugees' Support), Founding programs of Greek Council for Refugees

While consensus prevailed in the discussion groups as regard the weaknesses in migrant entrepreneurship financing, experts had diverging views whether stakeholders should create special grant schemes dedicated only to migrants or they should benefit from the schemes for all.

10 Conclusions and recommendations

The seven countries focus group discussions with a large number of experts from migrant supporting organisations helped deepening the knowledge about migrant entrepreneurship and the supporting networks and policies. Overall, the consensus was that migrant entrepreneurship support is a young, emerging sector, with a lot of developing to do, and as a result, it is still quite fragmented. The sector needs cooperation. It is suggested to further involve business teaching universities (and related schools) in migrant entrepreneurship support networks. Also, integration of migrant business within the local business environment and organisations would help sustaining migrant business. The round tables gatherings brought great value, not only in light of the content discussed, but also as a good networking opportunity. The fact that several groups decided to meet again proves the need for further coordination and joint efforts. There is a need for strengthening and enlarging the

networks that are being established within MAGNET support and build up their sustainability on European level as well as on the national and regional level.

There was a general consensus that there is not enough centralisation on the topic and practice of migrants entrepreneurship support. This is assumed to have a limiting effect on the ability of migrants to set-up businesses. There is a lot of grassroots and social enterprise led support, but no one who is bringing them together.

Although the experience of countries varies depending on their experience with immigration, the survey confirmed the need of special support dedicated to migrant entrepreneurs in all areas – information (one stop-shop), training (with an emphasis on mentoring and personal advise Peer to peer mentoring and job shadowing), access to finance (focusing on grant start-up financing that will mitigate the risks involved in migrant business due to the limited creditworthiness and lack of credit history and possession) Experts raised concerns about the lack of flexibility in bringing qualifications to a new country. Governments need to address legal and regulatory barriers.

Deepening the knowledge about migrant entrepreneurship could be achieved if a comprehensive demand survey on migrant entrepreneurs' needs and attitudes is organised. The information would complement the results from this survey and help better servicing the growing migrant enterprise sector and the integration of migrants in the host economies and society. The host country society would support migrant entrepreneurship if the benefits are obvious and convincing. The good stories of migrant businesses need to be presented and disseminated.

There is also a need to change the public perceptions about migrants and particularly migrant entrepreneurs. Provision of information as regards the benefits from migrant businesses, showing good case studies could help building a supportive environment for flourishing migrant business that will contribute to the economic growth that all the EU member-states badly need. It is time this source of economic dynamics to be activated.

The survey focused on the experience of the participating EU member states organisations in promoting migrant entrepreneurship. One of the expert discussion was carried out in Brussels involving five NGOs working on European rather than national level. The participants revealed the European context of this issue and provide reach argumentation that the programmers initiated at EU level complement to the national efforts and also play a role in boosting the national interest in developing projects and programmes for ME support.

The participants find themselves in agreement on the necessity of implementing profound and urgent Europe-wide modifications to integration schemes and training programmes relevant for both newcomers and people with migrant backgrounds.