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MigrEntrepreneur

State of the Art Report Spain

July 2020

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1. Introduction

Here we should define the term of “Migrant Entrepreneurship” as we discussed during the Kick-Off Meeting. As mentioned statistics in Germany distinguish here different categories. We need a common definition, so that statistics can be compared under the same conditions

To be developed in common??

2. Data / statistics

Numbers about migrants in general (employed, self-employed or unemployed):

According to ONU available data, there are 6.104.204 migrants in Spain, representing 12,96 of the total population of the country

According to OCDE data form 2018, the employment rate of foreigners was 61,6, compared to 62,6 for those born in Spain is 62.6%, two percentages that reflect the number of people with employment over the total of working age. However, other data from EPA and INE from 2019 shows that if the foreign active population is 16.5% of the total, only 15% of the employed are foreigners; so the employment rate of the foreign population is well below the Spanish population (87% of the Spanish working population is employed).

Spain is the fourth country in the European Union in number of entrepreneurs who come from foreign countries, according to Eurostat. Of the nearly three million freelancers that Spain has, around 169,274 came from non-EU countries and 157,255 from European States, for a total of 326.529 migrants entrepreneurs, representing about 10% of the total number of self-employed according to the figures from the Ministry of Labour, Migration and Social Security.

According to INE data from November 2019, the unemployment rate of the foreign population -19% - is five points above the Spanish -14% - and is especially high in the worst-treated nationalities: Latin America -19% - and rest of the world -27% -.

Data of active population, employed and unemployed per nationality

Tabla 1: Datos población activa, ocupada y parada según nacionalidad

| | Total | Doble nacionalidad | Extranjera: Unión Europea | Extranjera: Resto de Europa | Extranjera: América Latina | Extranjera: Resto del mundo y apátrida |
|--------------------------|----------|--------------------|---------------------------|-----------------------------|----------------------------|--|
| Población ocupada | | | | | | |
| 2019 (3 T) | 19.874,3 | 691 | 937,2 | 158,0 | 738,7 | 594,9 |
| 2018 (3T) | 19.528,0 | 637 | 850,3 | 137,3 | 691,3 | 553,4 |
| Población activa | | | | | | |
| 2019 (3 T) | 23.088,7 | 819,3 | 1.098,5 | 186,7 | 916,2 | 809,8 |
| 2018 (3T) | 22.854,0 | 762,6 | 1.028,7 | 162,8 | 864,4 | 757,0 |
| Población parada | | | | | | |
| 2019 (3 T) | 3.214,4 | 128,3 | 161,3 | 28,7 | 177,5 | 214,9 |
| 2018 (3T) | 3.326,0 | 125,6 | 178,4 | 25,5 | 173,1 | 203,6 |

Fuente: EPA. INE

Thus, inequalities are still important regarding employment of migrant population in Spain compared to nationals.

Occupational fields → in which sector are they active

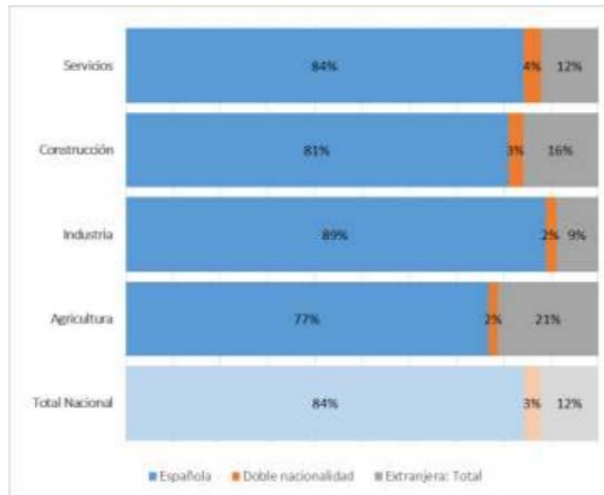
The state public service for employment published a report in 2018 from the observatory of occupation on situation of foreigners.

According to this report, the number of contracts registered in public employment services in 2018 was 22,291,681, from of which 4,041,941 corresponded to foreign workers. The weight of this group in the total contracting in 2018, was 18.13%. Compared to 2017, the hiring of foreigners has grown by 9.87%.

66.52% of the contracts were made with people from outside of the European Union. The weight of the men in hiring is higher, corresponding to 62.98% of contracts, compared to 37.02% of women. By age brackets, the bulk of hiring in the group occurs in the range of 25 to 45 years, reaching 2,519,633 contracts (63.34%).

Contracting by sectors indicates that the largest number of contracts to foreigners is grouped in the sector services, which brings together 53.93% of the contracting, followed by those carried out in agriculture (33.45%), construction with 6.04% and industry with 6.58%.

Distribution of the active population according to sector and nationality (Source: CCOO)



Fuente: elaboración propia a partir de datos de la EPA, tercer trimestre 2019. INE.

Of the total of 4,041,941 contracts made to foreigners, a total of 500,300 were permanent contracts and the remaining 3,541,641 temporary contracts, which implies a temporary rate of 87.62% in 2018. However, the 2018/2017 variation marks a higher increase in indefinite hiring compared to the temporary. The contractual modalities in which foreigners are mainly hired correspond to Work or service, with 1,891,251 contracts (53.40%) and Eventual due to production circumstances, with 1,508,360 (42.59%).

3. Funding/support Programs entrepreneurship

General and Special for migrants:

(Data taken from FAMET project national report on the state of the art based on indicators on migrant entrepreneurship in Spain, in which MEUS is a partner)

National level

The law regarding entrepreneurship in Spain is the same for national and foreign entrepreneurs, especially at fiscal level. This said, the major policy supporting entrepreneurship at national level is the Law 14/2013 called "Support for entrepreneurs and their internationalization". This Law includes specific tools of support for migrant entrepreneurs. One of the

main advantage of this law for migrants is the wide variety of residence visas that it contemplates:

- Investor residence visa.
- Visa for SME entrepreneurs or freelancers.
- Visa for researchers and trainers who are hired by a research center, a University or a business school.
- Visa for highly qualified professionals. Those who are going to carry out their functions in a sector considered as strategic.

By mid-2018, 26,090 residence permits had been granted by application of this law. Another important advantage of the Entrepreneurs Law for foreign citizens is the acceleration of the business creation procedures.

Local level:

It is also possible to find local policies supporting entrepreneurship and migrants' entrepreneurship. For instance, the Barcelona City Council Development Agency launched an inclusive entrepreneurship model in 2004, to make entrepreneurship a realistic option for all people.



The Barcelona Activa model is "universal", "tailored", "mixed" and "integrated": it is aimed at all people who want to be entrepreneurs. The model has supported 18,000 new companies, creating 32,000 jobs.

In addition, several financial instruments are available to help entrepreneurs starting with their businesses. Despite those are not always tools that are specifically designed for migrants, they are offered and disseminated to this target.

For instance, the guide "Financing for entrepreneurs in the Community of Madrid" has been carried out thanks to funding from the General Directorate of Migrations of the Ministry of Employment and Social Security and co-financed by the European Social Fund, which has supported the project «Comprehensive Itinerary of entrepreneurship for immigrants », within the call for subsidies from the General Directorate of Migrations for the integration of immigrants, executed during 2015.


Pro and Con:

Despite of the lack of statistical data on this aspect, several sources appoint that migrants' entrepreneurs are keener to be successful than other entrepreneurs. This would be explained by the fact that migrant entrepreneurs are used to working longer and harder to achieve their goals. In general, coming from another country, they have had to overcome more barriers and challenges.

Also, it is seen that migrants significantly contribute, when successful entrepreneurs, to employment and GBP at national level. Also, policies promoting migrants' entrepreneurship might have a positive effect on the national economy.

4. Projects /Trainings

Best practices, are there special entrepreneurship trainings for migrants?

| | |
|-------------------------|--|
| Impuls@ Project |  Cruz Roja |
| Project Lead: | Cruz Roja |
| Contact Details: | Marta Gilabert Rico Business Advisory Technique Impuls @ Project - Employment Services |
| Description: | <p>It is the Project through which the Spanish Red Cross supports the start-up of business projects of people in a socially disadvantaged situation, through guidance, advice in the preparation of the business plan, support in the application and Microcredit management, dissemination and promotion of the businesses undertaken and an assisted management service and individualized monitoring of the entrepreneur from the birth of the idea to the achievement of full social and labour integration.</p> <p>The Impuls@ Project is part of the Integrated Employment Services (SIE) of the Red Cross and works primarily with immigrants, but also with other people who have difficulty accessing and staying in the labour market.</p> |

What is the objective of the Impuls@ Project?
 Supporting the processes of socio-labour integration of people with greater difficulties of insertion through their incorporation into the labour market on their own. Therefore, from the Impuls@ Project, we work to:

- Discover and strengthen, among the participants of the SIE, the skills and attitudes necessary to undertake a business activity.
- Promote the creation of self-employment projects and business initiatives among those belonging to vulnerable groups with an entrepreneurial profile and a business idea.
- Provide information, advice and guidance services on the different aspects involved in the creation, financing, management and development of self-employment and microenterprise initiatives.
- Provide entrepreneurs with access to the microfinance necessary for the implementation of their business idea.
- Promote the creation of networks of entrepreneurs who offer complementary services to the market and promote both the launch of their products or services and their maintenance in the market.
- Offer an assisted management service during the first years of business projects to ensure that these projects are consolidated in the market.
- Promote not only maintenance but also the improvement, expansion and growth of business projects launched through the programming of business training modules and entrepreneur workshops.

Data.

1.- SUPPORTED PEOPLE

| DONE IN 2018 | | |
|---------------------|------------|--------------|
| WOMEN | MEN | Total |
| 174 | 162 | 336 |


80% are migrants. Main countries: Venezuela and Colombia.

| DONE 2019 (October) | | |
|----------------------------|------------|--------------|
| WOMEN | MEN | Total |
| 193 | 138 | 331 |

75 % are migrants. Main countries: Venezuela, Colombia, Bolivia and Ukraine.

| | | | |
|----------------------------------|---|--------------|--------------|
| | 2.- NEW BUSINESSES IMPLEMENTED | | |
| | BUSINESSES 2018 | | |
| | WOMEN | MEN | Total |
| | 17 | 21 | 38 |
| | BUSINESSES 2019 (October) | | |
| | WOMEN | MEN | Total |
| | 19 | 16 | 35 |
| | 3.- MICROCREDITS MANAGED | | |
| | MICROCREDITS 2018 | | |
| | WOMEN | MEN | Total |
| | 2 | 9 | 11 |
| | MICROCREDITS 2019 (October) | | |
| | WOMEN | MEN | Total |
| | 11 | 3 | 14 |
| 4.- TRAINED PEOPLE | | | |
| P TRAINED 2018 | | | |
| WOMEN | MEN | Total | |
| 24 | 14 | 38 | |
| P. TRAINED 2019 (October) | | | |
| WOMEN | MEN | Total | |
| 51 | 29 | 80 | |
| Further Information: | http://www.cruzroja.es/pls/portal30/docs/PAGE/2006_3_IS/BIBLIOTECA/TU%20DECIDES.PDF | | |

| | |
|---|--|
| Entrepreneurship and integration |  |
| Project Lead: | Tomillo Foundation |
| Contact Details: | C/ Albuñuelas, 15 28041 Madrid |
| Description: | Tomillo Foundation offers free supporting services to migrant entrepreneurs, including support to access |

| | |
|-----------------------------|--|
| | <p>funding. Their support programs for immigrants include entrepreneurial skills, as a way to obtain their own, stable and continuous employment that allows integration into society as the ultimate goal. These programs offer motivational activities, training, advice and business-assisted management to facilitate their consolidation.</p> |
| Further Information: | https://tomillo.org/que-hacemos/emprendimiento/ |
| WINKOMUN |  |
| Project Lead: | ACAF |
| Contact Details: | http://www.winkomun.org/es/content/equipo-acaf |
| Description: | <p>The Association of Self-Financed Communities (ACAF) promotes a group savings model to empower the low-income people (often migrants) to access credit, without outside help. In 2013 ACAF launched an online platform to help spread the methodology for self-financing communities around the world.</p> |
| Further Information: | http://www.winkomun.org/en (in English) |

5. Sources

Ocupación de la población extranjera, November 2019, CCOO

<https://www.ccoo.es/8991b94e327452513a1594572cbd5257000001.pdf>

About Entrepreneurship education:

IDEA project and the national country report (Spain) prepared by MEUS, offers good examples of best practices of entrepreneurship education (Despite not only for migrants) and an overview of the National Entrepreneurship Education Framework

<https://idea.erasmus.site/es/>

F.A.M.E.T. project, FOSTERING ADULT MIGRANT ENTREPRENEURIAL TRAINING AND QUALIFICATION

<https://famet.erasmus.site/>

Afiliación de extranjeros Seguridad Social. October 2018

http://www.mitramiss.gob.es/itss/ITSS/ITSS_Descargas/Atencion_ciudadano/Normativa_documentacion/Otra_docum/Afil_Extranj_Octub_2018.pdf

INFORME LA INMIGRACIÓN EN ESPAÑA: EFECTOS Y OPORTUNIDADES

<http://www.ces.es/documents/10180/5209150/Inf0219.pdf>

The contribution of migrant entrepreneurs to economy

<https://www.eesc.europa.eu/our-work/opinions-information-reports/opinions/contribution-migrant-entrepreneurs-economy>

Guide "Financing for entrepreneurs in the Community of Madrid

https://www.accioncontraelhambre.org/sites/default/files/documents/guia_vives_proyecto_financiacion_emprendedores.pdf