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MigrEntrepreneur

State of Art Report [Portugal]

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PRODUÇÕES FIXE

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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 Portugal distinguish here different categories. We need a common definition, so that statistics can be compared under the same conditions

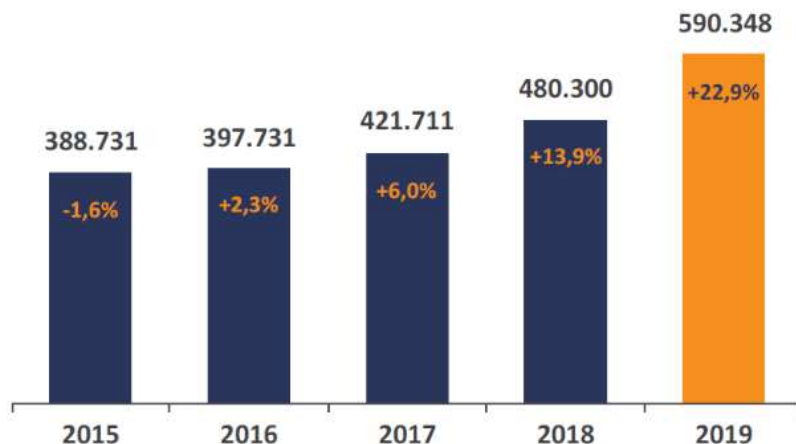
2. Facts / statistics

Immigration in Portugal started to be noticeable from the years '70 on, when migratory waves of PALOP (countries having Portuguese as official language) arrived, mainly towards the areas of civil construction. With the entry of Portugal in the European Union, we noticed another migratory wave coming mainly from South America (Brazil) and from Asia. Starting from the years '90, another migratory wave took place, mainly from Eastern European countries (Ukraine, Moldavia, Romania and Russia). The migratory wave maintains itself also today and has increased over the past years, in line with the analyse we can see below:

Residential population in Portugal between 2010 and 2019

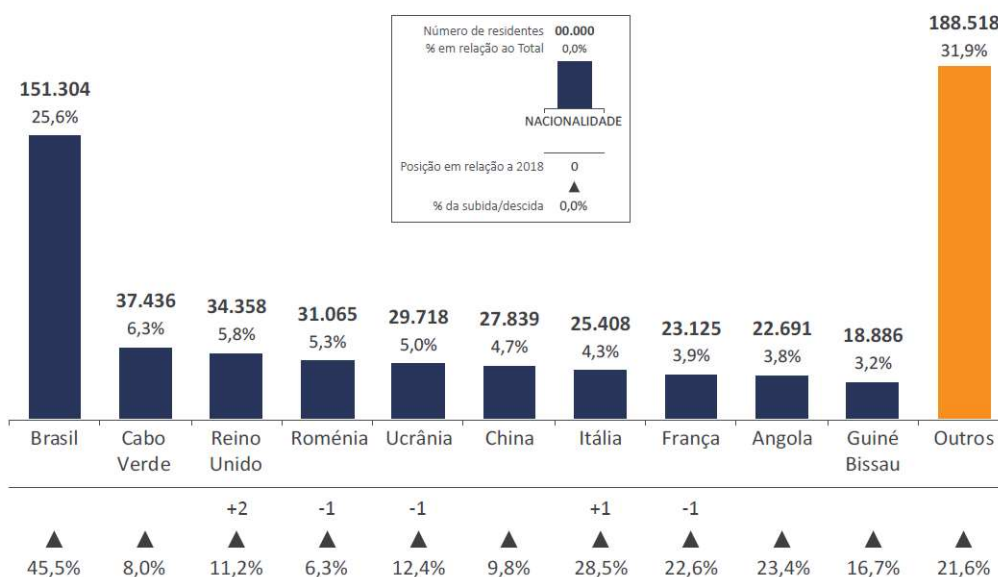
Anos Years	Sexo Gender			
	Total	Masculino Male	Feminino Female	
2010	10.573,1	5.058,6	5.514,5	
2011	10.557,6	5.042,0	5.515,6	
2012	10.514,8	5.013,1	5.501,8	
2013	10.457,3	4.976,9	5.480,4	
2014	10.401,1	4.940,8	5.460,2	
2015	10.358,1	4.912,6	5.445,5	
2016	10.325,5	4.892,0	5.433,5	
2017	10.300,3	4.875,1	5.425,2	
2018	10.283,8	4.860,0	5.423,8	
2019	10.286,3	4.856,2	5.430,1	

Foreign residential population (Total) in Portugal – 2019



In 2019, for the fourth consecutive year in a row, the increase of foreign population resident in Portugal was confirmed, with a raise of 22,9% compared to 2018, totalling 590.348 foreign citizens. All in the possession of official residential authorisation. This is the highest registered amount since 1976 (when the immigration waves started from previous Portuguese colonies).

Immigrant Population Resident in Portugal by country of origin – 2019



We can deduce that the main foreign community residing remains of Brazilian nationality, respectively 25,6% of the total (highest level since 2012), followed by Cape Verde with 6,3%. The United Kingdom is the third more represented foreign population in Portugal.

The increase by foreign citizens originating from European Union countries, shows the impact of international and national measures applied and the attractive factors: being the perception of Portugal as a safe country, as well as the fiscal advantages created by the regime for the non-habitual residents.

Immigrant Population in Portugal by District – 2019



The geographical distribution of the foreign population focuses mainly on the coastline, being that 68,6% is registered in the districts of Lisbon, Faro and Setúbal, totaling 405.089 residential immigrant citizens, compared to 330.763 in 2018;

In the current economy, open and globalised, characterized by the growing degree of urbanisation, modern cities and cosmopolitans, attract immigrants. They are magnets of economical growth, where small and medium enterprises are source of new employability, business dynamics and innovation.

Recent studies are starting to link immigration to entrepreneurship, as well as the influence this has on economical and social integration of immigrants.

Immigrant entrepreneurship is described as the process where an immigrant establishes an enterprise in a host country which is not the country of origin.

There is a positive and significant correlation between immigrant entrepreneurship and economic performance, which has been “measured” in terms of growth, survival time of an enterprise, innovation, creation of employment, technological change, increase of productivity and export.

In the European Union, studies between 2008 and 2018 indicate that there exists a decrease of self-employed situation of native citizens (6%), contrary to what happens with foreigners (+31%) or born in another member state (+58%).

Portugal is not different in this group of 28 member states and maintains the same tendency, as we can verify in the table below:

Situação na Profissão*		2011	2016	2017	Variação 2011-2017 (%)
Empregadores	Portuguesa	6,5	6,0	5,8	-2,8
	Estrangeira	4,4	5,2	4,9	+17,4
Trabalhadores por Conta de Outrem	Portuguesa	93,3	93,6	93,9	+8,6
	Estrangeira	95,5	94,6	95,0	+4,6
Total (N)	Portuguesa	2.594.792	2.685.535	2.799.147	+7,9
	Estrangeira	140.445	134.443	147.756	+5,2

The table above suggest the interpretation of Portuguese or Foreign (Immigrants) in Portugal, which shows an increase of +17,4% between 2011 and 2017, even with oscillations in the scenario of decrease.

The table above shows us also that contracting in Portugal changed and that the scenario at national level is that the work force is mostly foreign between 2011 and 2017.

We can also observe (in the table below) that besides the Brazilian nationality, in addition of being the majority in Portugal, is also the one that employs the most, followed by China who, despite being on the 6th place in the migratory flow, is at the second position of most employing in Portugal.

2011		2016		2017	
Nacionalidade	%	Nacionalidade	%	Nacionalidade	%
Brasil	20,1	Brasil	21,2	Brasil	22,8
China	19,5	China	19,9	China	18,3
Reino Unido	7,3	Reino Unido	6,1	Reino Unido	6,1
Espanha	6,0	França	5,6	França	5,8
França	5,1	Espanha	5,4	Espanha	5,4
Angola	4,2	Alemanha	3,6	Alemanha	4,0
Alemanha	4,1	Ucrânia	3,5	Ucrânia	3,4
Ucrânia	3,4	Angola	3,4	Angola	3,2
Holanda	3,1	Holanda	3,1	Holanda	2,9
Moldávia	2,4	Itália	2,5	Itália	2,7
Total estrangeiros (N)	6.118	Total estrangeiros (N)	6.950	Total estrangeiros (N)	7.180

Atividade económica (CAE)	Brasil	China	Reino Unido	França	Espanha	Alemanha	Ucrânia	Angola
Agricultura, produção animal, caça, floresta e pesca	1,1	0,1	1,6	2,5	8,8	2,3	2,0	0,4
Indústrias extrativas	0,1	0,0	0,2	0,0	0,0	0,0	0,0	0,0
Indústrias transformadoras	5,9	0,5	2,9	11,5	11,5	11,7	5,9	6,3
Eletricidade, gás, vapor, água quente e fria e ar frio	0,0	0,1	0,0	0,0	0,5	0,0	0,0	0,0
Captação, tratamento e distribuição água; saneamento...	0,2	0,0	0,2	0,0	0,0	0,0	0,4	0,0
Construção	13,0	0,3	5,3	7,1	4,3	4,9	29,1	8,0
Comércio grosso e retalho; reparação de veículos	15,4	72,6	13,3	21,9	26,3	20,1	13,0	31,6
Transportes e armazenagem	4,4	0,1	0,4	3,2	4,3	4,2	20,1	3,8
Alojamento, restauração, similares	18,7	21,7	25,3	14,5	9,8	15,5	13,4	12,7
Ativid. informação/comunicação	5,0	0,4	3,3	4,8	2,5	4,9	2,4	3,8
Ativid. financeiras e de seguros	0,2	0,2	0,4	1,2	1,0	1,3	0,0	1,7
Atividades imobiliárias	2,5	2,3	17,6	7,1	5,0	5,8	0,4	6,8
Atividades de consultoria, científicas, técnicas e sim.	4,2	0,7	11,3	10,1	9,0	10,7	1,2	11,4
Ativid. administrativas e de apoio	4,0	0,1	5,3	5,8	3,0	6,8	3,5	2,5
Educação	0,7	0,0	6,0	1,6	1,3	1,9	0,0	0,8
Atividades de saúde humana e apoio social	13,1	0,1	1,8	2,1	8,8	5,5	3,1	3,4
Atividades artísticas, espetáculos, desportivas e recreativas	2,2	0,3	2,9	1,8	3,3	3,9	1,6	0,8
Outras atividades de serviços	9,4	0,3	2,0	4,6	1,0	0,6	3,9	5,9
Total N	1.655	1.368	450	434	400	309	254	237

Regarding the economic areas we can see (in the table above) that it differs according to the different nationalities, focusing on the 2 largest groups of entrepreneurs we can see that the Brazilian nationality operates mainly in four branches: accommodation, restaurants and similar, commerce and vehicle repair, construction and human health and social support activities.

Chinese nationality focuses on two activities: trade and accommodation, catering and similar.

A final analysis note, related to the scale of size of companies created by immigrants (as shown in the table below) is an increase in companies between 1 and 9 workers, as well as some expression in companies between 10 and 49 workers. This data covers only the sectors of economic activities developed by foreigners, and many other areas are not expressed here, as is the case of construction, and the manufacturing industry, since their expression is small.

Escalões de dimensão da empresa	Portugueses (%)	Estrangeiros (%)
1 a 9 trabalhadores	81,2	85,9
10 a 49 trabalhadores	16,7	12,5
50 a 249 trabalhadores	1,9	1,5
250 a 499 trabalhadores	0,1	0,1
500 e mais trabalhadores	0,0	0,0
Total N	169.027	7.436

3. Funding/support Programs entrepreneurship

In general terms, there are several measures to support entrepreneurship, which can be divided into two areas: those of financial support and those without financial support. We present below some of them, without specifying the organizations, since there are several organizations that provide this type of support from local authorities, non-governmental organizations, governmental organizations and all of them are based on the political and legal system in force.

Non-financial Measures:

Information/orientation

Information and guidance for the future entrepreneur involves all issues related to business creation, both legal, accounting and financial.

Advice / monitoring

Advising and accompanying the future entrepreneur involves since the elaboration of the company plan looking for financing and other issues related to the company creation process, and when necessary, after the creation of the company, such as internships and access to support to hiring.

Training

This topic is associated with training courses (continuous and non-continuous), clarification sessions, seminars and conferences on the themes of entrepreneurship and business creation.

Follow-up

Follow-up is related to the evolution of companies that have received some type of support from some organ, at the time of the creation process.

Incubation

This is the opportunity for new entrepreneurs to settle in the so-called Corporate Centers, Technological Centers, Technology Parks and Industrial Zones, with an environment conducive to the development of the company, with business advice.

Awards and competitions to promote business creation**Financial Measures:****Loan**

This is related to the credit lines granted to new entrepreneurs, it is concluded through agreements, usually between public or private institutions (banks) with the customer.

Risk Capital

It is an investment modality used to support businesses through the purchase of an 'stock' interest, usually a minority interest, with the purpose of having the shares valued for later exit from the operation.

Non-repayable investment

Refers to resources made available by a lender with no prospect of repayment, normally the resources are assigned by public administration, and aims to improve the conditions of existence of certain sectors and regions.

Support for hiring

Financial support for employers who have no-term or fixed-term employment contracts for a period of 12 months or more, with unemployed and / or underrepresented sex in a given profession, enrolled in the IIEFP (IEFP, 2018).

Some concrete measures to support entrepreneurship for immigrants:

PEI:

The Promotion of Immigrant Entrepreneurship Project aims to foster entrepreneurship among immigrant communities, with a special focus on those living in the most vulnerable neighborhoods. Between 2010 and 2020, he launched around 200 immigrant projects, where it supported them to develop, create and consult their companies in the first 2 years (critical period) and which has an 80% success rate.

Immigrant Integration Plan:

A document of survey and definition of strategies defined by the Council of Ministers of Portugal and by the High Commissioner for Migration, which then results in several municipal action plans (each municipality can and must create a plan adapted to its reality).

4. Projects /Trainings

Best practices, are there special entrepreneurship trainings for migrants?

[Title project 1]	Training of Immigrants
Project Lead:	City Council of Matosinhos
Contact Details:	https://www.cm-matosinhos.pt/servicos-municipais/comunicacao-e-imagem/noticias/noticia/camara-apoia-formacao-de-imigrantes
Description:	<ul style="list-style-type: none"> - Employability Competences (10h) - Live in Portugal (6h) - Portuguese for Foreigners (50h)

[Title project 2]	Promotion of immigrant entrepreneurship
Project Lead:	High Commissioner for Migrations
Contact Details:	https://www.acm.gov.pt/pt/-/programa-de-empreendedorismo-imigrante-pe-1
Description:	Training on "Creation of business" with a duration of 62h (10 collective sessions and 8 individual ones). After the training the participants receive a certificate and a letter of recommendation. After that they can start the consulting phase in order to execute their business plan.

5. Sources

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- Rosa, M. J.V., Seabra, H. e Santos, T. (2004), *Contributos dos imigrantes na demografia portuguesa*, Estudo 4 do Observatório da Imigração, Lisboa: ACIME.
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