

INCLUSIVE ENTREPRENEURSHIP IN FLANDERS



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EXECUTIVE SUMMARY

This report presents the results of a study undertaken in Flanders to test a tool for the assessment of inclusive entrepreneurship policy issues and the identification of good practices. The study is part of a Community of Practice project involving Wales, Belgium, Spain, Portugal and Germany.

The tool assessing inclusive entrepreneurship consists of four sections. In the first section, a range of indicators are collected about the demographics, key employment challenges and entrepreneurial dynamics in Flanders. The three remaining sections provide information about the scoring of a number of statements concerning the enterprise support system in Flanders by three stakeholder groups, namely policy makers, specialist advisors and entrepreneurs from target groups. These target groups include unemployed, women, migrants and ethnic minorities, 50 plus, young people under 30, people with disabilities and social enterprises.

The persons involved in the testing process were asked to comment on and score (4= totally agree to 1= totally disagree) statements about entrepreneurship within the four areas of entrepreneurship culture, start-up support, consolidation and growth support and access to finance. A workshop was organised in which the tool was tested on 4 policy makers and 5 specialist advisors. Also, 9 entrepreneurs from target groups were involved in testing the tool's section for entrepreneurs. In addition, a second workshop was organised to test the tool on a sub regional level by policy makers of three different RESOC's.

The testing process of the tool in Flanders enabled us to formulate advantages and areas for improvement concerning the tool.

An *advantage* of the tool is that it can be used to discover strengths and areas for improvement in the entrepreneurship support system of a region or a sub region. Moreover, if the tool is filled in by different (sub) regions, it is possible to benchmark the situation in one (sub) region compared to others. In the testing process it became clear that (sub) regions find it very interesting to learn from other regions (in the same country or in another European country) how they can improve areas of their enterprise support system in which they score weakly. Finally, the workshop formula gave interesting discussions among different stakeholders about the subject of inclusive entrepreneurship.

An *area for improvement* of the tool is found to be a better separation of statements measuring quantity and quality of the enterprise support system. In addition, it is found that sufficient guidance should be provided to stakeholders filling in the tool (e.g. elaborate on statements, explain the scoring system), especially for the group of entrepreneurs. Also, it appeared important that stakeholders explain why they give a particular score. This detailed information can also help in formulating recommendations in areas where scores are weak or to give examples of good practices which can inspire (sub) regions to remedy weak points.

The testing of the tool provided us also with insight into the key strengths and challenges of the business support system in Flanders.

The most problematic area in Flanders is **start-up support and advice**. Although sufficient advice and support is provided, this support needs to be made better accessible for and adapted to the needs of all target groups. Moreover, the quality of the business advice seems to depend highly on the person providing the advice. It was recommend to develop a checklist for each target group, setting out all steps to follow

by the business advisor when providing support to entrepreneurs from target groups. This is likely to improve the quality of the advice and support provided to target groups. In addition, entrepreneurs from target groups should be able to get help from a mentor while starting out. Also, affordable business premises of better quality are needed for start-ups. Incubators and start-up centres should be made more accessible for target groups and the period of time that starters can stay in the centre should take into account the specific situation of each individual starter.

Entrepreneurship culture is an area in which scores by stakeholders are also weak. A key challenge in this area is providing training to teachers concerning teaching entrepreneurship at all school levels. Adapted teaching materials are available, but the teachers do not know how to use them and lack experience about stimulating an entrepreneurial mindset at an early age. It was also stressed by stakeholders that the education system should stimulate an entrepreneurial spirit and attitudes in a broader sense and not entirely focus on the commercial aspects of setting up a business. In addition, businesses should be more involved in school activities, so that students can get in contact with the business world. Persons from target groups who become entrepreneur should also be better presented in the media to encourage others to think about the self-employment option. A strength in the area of culture and conditions is the straightforward and quick administrative processes to set up a business in Flanders.

Access to finance is the area of the Flemish enterprise support system which scores best. This area gets good scores from policy makers and specialist advisors, but lower scores from entrepreneurs. An important key strength in this area is the wide availability of start-up financing and this also for target groups. However, points of improvement here are the time delay until the subsidies are received and the sometimes too low amount of the subsidy causing liquidity problems for starting firms. Micro financing in Flanders is provided mostly by the government, social enterprises and non-profit organisations. Increasing the involvement of commercial banks in micro financing is a point of attention. Another strength is the availability of financial management support of good quality for entrepreneurs.

The area of support for companies in the **consolidation and growth** phase is scored good by policy makers and weaker by specialist advisors and entrepreneurs. A strength in this area is the provision of advanced business information and growth support. But this consolidation and growth support is focused on certain sectors (e.g. innovation) and type of companies (gazelles, export focussed firms) and should be provided more comprehensively. Other strengths in this area are high quality training for entrepreneurs in fields required for business expansion and the ease of joining mainstream business networks.

In conclusion, Flanders scores relatively well on so-called *hard* environmental factors which stimulate entrepreneurship like access to finance, legislation, fiscal policy and physical infrastructure. However, in order to increase the entrepreneurial rate in Flanders which is very low in a European perspective, it is at least as important and effective to stimulate the so-called *soft* environmental factors on which Flanders scores rather weak. Examples of such soft factors are cultural and social norms, the education system and training possibilities. In fact, these soft factors are more difficult to change and take more time (many years) to be altered.

0.1. INTRODUCTION

0.2. WHAT IS THE COMMUNITY OF PRACTICE ON INCLUSIVE ENTREPRENEURSHIP?

CoPIE is a learning and communication platform for people who are passionate about inclusive entrepreneurship. We work on the design and delivery of policies which make it easier for under-represented groups to become self employed or start up a business. We have called this 'inclusive entrepreneurship'. It builds on the work carried out over the last five years by nearly 300 EQUAL partnerships on opening up business creation to all members of society. Many of the 12 countries involved in this work created National Thematic Networks to exchange and mainstream their findings. The Community of Practice also drew heavily on the experience of the EQUAL partnerships involved in the Social Economy.

Inclusive entrepreneurship

Inclusive entrepreneurship is a comprehensive approach to widening the range of people that start and grow their businesses. It drives up employment and activity rates and cuts unemployment. It is a diversity assured approach that works effectively in communities that are discriminated against. To widen entrepreneurship we have brought together a Community of Practice on Inclusive Entrepreneurship COPIE led by Flanders and co-financed by the European Commission. COPIE is an open network aiming make entrepreneurship an attractive and viable option for more people during the 2007-13 period. COPIE has developed a new action planning approach which will be presented for the first time to around 300 delegates from the EU Member States at a Policy Forum in Hannover on 5-6 June 2007.

The Four entrepreneurial ladders out of exclusion

Although the definitions vary slightly in each Member State, the main themes dealt with in business creation are very similar across the countries. They have been described as the four parts of "an entrepreneurial ladder out of social exclusion". The four parts are:

- creating the culture and conditions for entrepreneurship;
- integrated start-up support and training,
- support for consolidation and growth and
- access to appropriate finance.

In all these areas there is already an important reservoir of good practice on how to promote inclusive entrepreneurship in many Member States. But this still generally takes the form of pilot projects and initiatives. At the end of Equal, there is a risk that this knowledge and experience can be lost. Our approach aims to combat this by helping regions to mainstream the good practice from all over Europe.

The founding partners

Flanders, Germany, Spain, Portugal and Wales are the founding members of COPIE. France, the Netherlands, Greece and Wallonia are participating as observers. They have all had direct experience of trying to close the gap between employment and entrepreneurship policies. This gap exists because those concerned with social inclusion and employment policy tend to prioritise combating exclusion through employment. European employment policy is increasingly concentrated on supply side solutions (like training, counselling and “flexicurity”) for helping the labour force adapt to a rapidly changing environment created by globalisation and an ageing population. Policies for business creation tend to receive less attention.

The people involved in the Community of Practice believe that many more people from disadvantaged groups can help to create their own future rather than hope that decent jobs “trickle down” from the high technology, high growth sectors. They argue that “entrepreneurship” should not be seen as the prerogative of a privileged few. It is already a survival strategy for millions of Europeans – and, with the right conditions and policies, it has the potential for unleashing the creativity of millions more.

Developing Action Plans for Inclusive Entrepreneurship

One of the first tasks of the Community of Practice has been to design a methodology for developing “action plans” for Inclusive Entrepreneurship. The action plans are built around a tool that takes the stakeholders systematically through an analysis of enterprise support in their region, sub region or city. The tool itself consists of four scorecards on excel spreadsheets which are already available on-line. At present, this preliminary version of the tool and bank of good practices can be consulted on the COPIE website.

The tool helps policy makers and practitioners concerned with entrepreneurship to identify the main gaps or challenges to the support system for entrepreneurship in the four main themes identified by EQUAL - from the point of view of specific groups. Policy challenges are identified from the scoring process.

Armed with this knowledge they can locate the good practices developed elsewhere to meet similar challenges in the area of culture and conditions, start-up support and training, consolidation and growth and access to appropriate finance.

Finally, they can bring both elements together to design an action plan or strategy for inclusive entrepreneurship for the next period. Now that CoPIE has established a sound basis for co-operation we plan to grow the existing community of practice by adding five to ten new member regions from a range of different Member States. We are particularly keen to expand our network to include the new Member States

The rest of this report describes how the tool has been tested by one of the members of CoPIE.

0.3. THE PROCESS OF TESTING THE TOOL IN FLANDERS

The tool was tested for the whole region of Flanders. In addition, the use of the tool on a sub regional level was also explored. Three groups of stakeholders were involved in the testing process: policy makers, specialist advisors and entrepreneurs (users).

Policy makers and specialist advisors

At the end of March 2007 a workshop with seven participants from different organisations was held. In total **five specialist advisors** and **two policy makers** attended the workshop. Some of the participants had a double role being specialist adviser or policy maker and project promoter. Most of the organisations are represented in the Flemish thematic network on entrepreneurship. Examples of participating organisations are NFTE (Network for Training Entrepreneurship), an activity cooperation which helps unemployed to start up a business (Co-Actief), an organisation which stimulates youth to be entrepreneurial (Vlajo), the Flemish department of Education and Training, a training organisation for entrepreneurs and SMEs (Syntra Flanders) etc.

Beforehand the participants received the tool by e-mail and individually filled in the scores. During the workshop, the tool was explained in more detail. In a second stage the scores - averages and differences - were discussed. Participants did also give feedback on the process of filling in the tool and gave suggestions for good practices in the area of inclusive entrepreneurship.

A second workshop was held on the 24th of April 2007. Representatives from Regional Socio-economic consultative committees (called RESOC's) were invited. RESOC's are tripartite consultative committees with local authorities and representatives of employers and employees. Their mission is to agree on a long-term regional socio-economic pact by using the consensus model. An important task of a RESOC is to co-ordinate the sub regional labour market policy, with special attention for target groups on the labour market.

The RESOC representatives filled in the tool for their sub region which consists of a smaller area located in Flanders. Four representatives representing three large sub regions in Flanders (West-Flanders, Limburg and Mechelen) were present at the workshop. As in the first workshop, scores were given to the statements and differences were discussed. Participants were very enthusiastic about the usefulness of the tool for their sub region. They saw potential to use the tool to benchmark their local labour market policy compared to other sub regions or to Flanders as a whole. In addition, two Flemish policy makers attended this workshop and filled in the tool for the region of Flanders.

Entrepreneurs (users)

The participants of the first workshop have been asked to get one entrepreneur who had recently started a firm and belongs to a target group to fill in the tool. In total, four entrepreneurs have answered. In order to test the tool on more entrepreneurs, the personal network of our company was used in to find additional entrepreneurs. This additional action led to five more entrepreneurs to be included in the analysis. However, considering the relative low number of entrepreneurs that have filled in the tool (9 in total: 4 women, 4 young persons under 30, one unemployed and one migrant), the results for the entrepreneurs in the rest of this report should be interpreted with caution.

In total this means that the tool has been tested on 4 policy makers, 5 specialist advisors and 9 entrepreneurs. In addition, the tool was tested on a sub regional level by policy makers of three different RESOC's.

0.4. MAIN LESSONS FROM TESTING THE TOOL IN FLANDERS

The testing process of the tool in Flanders enables us to formulate a number of advantages and areas for improvement of the tool.

Advantages:

- The tool can be used to discover strengths and areas for improvement in the entrepreneurship support system of a region or a sub region. Low scores point to areas in which improvement is necessary.
- If the tool is filled in by different (sub) regions, it is possible to benchmark the situation in one (sub) region compared to the others. Moreover, regions find it interesting to learn from other regions (in the same country or another European country) how they can improve areas of their enterprise support system in which they score weakly.
- The workshop formula gave interesting discussions among stakeholders about inclusive entrepreneurship. People can express different opinions and at the same time explain their own point of view to the others. In this way, local differences emerged in the workshops between different sub regions of Flanders.

Areas for improvement:

- It is recommended that guidance is provided to stakeholders in order to fill in the tool (e.g. elaborate on statements, explain the scoring system). This is especially the case for entrepreneurs filling in the tool.
- The evidence column is very important and needs to explain why a specific score is giving. This detailed information can also help in formulating recommendations in areas where scores are weak. For good scores, examples of good practices can be given in this column.
- Some statements measure quality, others quantity. This makes scoring and analysing the statements sometimes difficult.

1. ENTERPRISE ECOLOGY

1.1. DEMOGRAPHICS: THE AREA AND ITS PEOPLE

- Flanders has a population of about 6.1 million. It is one of the three regions of Belgium, next to Wallonia and the Brussels region. About 60% of the Belgians live in the Northern region of Flanders. The population density in Flanders is quite high with 447 inhabitants per km². In the period 2001-2006, the population of Flanders grew modestly by 2.1%. As Belgium is a federal state, the regions have authority in a number of areas like employment and economy. Other areas remain the authority of the national (federal) government (e.g. employment benefits).
- Flanders has a high share of older people: 17.8% of the population is older than 65 years. About 5% of the population has a foreign nationality, but the proportion of second and third generation migrants is much higher (no official statistics concerning ethnicity are available). Ethnic minorities live mostly concentrated in the big cities of Flanders or in certain regions. In total 39.052 Flemings were disabled and received a replacement income in 2006, this number represents 0.6% of the total Flemish population. Almost 11% of the youth (ages 18-24 years) in Flanders have at most a lower secondary education degree.

1.2. KEY EMPLOYMENT CHALLENGES

Table 1 compares the employment and unemployment rate for a number of target groups in Flanders for the year 2005.

Table 1: Employment and unemployment rate in Flanders (2005)

	Employment rate	Unemployment rate
Total (15-64y)	64.9%	5.5%
Women	57.8%	6.3%
< 25 years	50.2%	14.2%
> 50 years	26%	4.3%
Ethnic minorities	Non-EU15: 41.9%	Non-EU15: 24%
Change last 5 years (total)	2.2%	1.1%

- The total employment rate in Flanders in 2005 was almost 65%. This is below the EU15-average, mainly because of a very low participation/activity rate among older people (over 50 years of age). The employment rate of persons over 50 years old was only 26% in 2005. This is caused by institutional factors like pre-pensions, time credit schemes and high replacement rates for the early retired. The employment rate of women has been catching up in recent years.

- Unemployment is high for certain vulnerable groups. 24% of the habitants with a not-EU15 nationality are unemployed, compared to 5.5% for the total Flemish population at working age. Ethnic minorities have problems integrating in the labour market caused by language problems, low skills, cultural disparities, unemployment traps etc. Youth unemployment (less than 25 years) is also high and stands at 14.2% in 2005. However, many young people of this age group participate in higher education.

Table 2: Employment change by sector 2001 – 2006 (Belgium)

Key sectors	Employment 2001	Employment 2006	% change 2001-2006
<i>Agriculture</i>	20,972	21,187	1.03
<i>Mining and extraction</i>	3,360	3,248	-3.33
<i>Manufacturing</i>	629,526	571,681	-9.19
<i>Services</i>	2,199,711	2,403,369	9.26

- In the period 2001-2006 many jobs have been lost due to restructuring in traditional manufacturing sectors like clothing and fur, shoes, cars, tobacco, textiles and furniture. To a lesser extent, restructuring has been going on in certain geographical areas. The main causes of this destruction of employment are globalisation, deindustrialisation and relocation. These job losses are entirely compensated by employment gains in service sectors like professional services, research and development, health care and social services and real estate. The main challenge for Flanders is to make the conversion to a service and knowledge economy.
- Low pay sectors are the primary sector, catering, personal services and retail. Casual employment (seasonal labour, limited hours, temporary employment) is high in the following sectors: other professional services, catering and agriculture.
- In the province of Limburg the employment rate is lower than the Flemish average in certain districts. This is caused by reconversion (e.g. mining industry) and restructuring of traditional manufacturing sectors.

In conclusion, the key employment challenges for Flanders are:

- Very low activity rates (26%) among older persons (+50)
- High unemployment rates among non-EU ethnic minorities (24%)
- Relatively high unemployment rates (14.2%) and low activity rates among young persons (< 25 years)
- Job losses in traditional (manufacturing) sectors and the need to make the conversion to a knowledge and service economy

1.3. ENTREPRENEURIAL DYNAMICS

Flanders has several advantages as a business location. The transportation infrastructure is of high quality (dense road network, several important ports, Brussels airport, high speed trains). Flanders also has a central location in Northern Europe with good access to other European countries like France, the Netherlands, UK, Spain, Italy etc. As the European capital of Brussels is nearby, this is an extra attraction pole for international businesses.

Table 3 below summarizes some entrepreneurial characteristics of Flanders

Table 3: Entrepreneurial characteristics of Flanders

	Number of Firms	% of total employment
Total	467,906	100
% Micro ¹	83.2	14.4
% Small ²	13.8	18.6
% Social	0.06	0.6
Birth rates	7.4	-
Survival + 5 years	68.4	-
Total Entrepreneurial Activity rate (GEM)	3.05	-

- The business sector in Flanders has a large share of SME's. In 2006 83.2% of all active firms were micro firms (0 to 9 employees) and 13.8% are small firms (10 to 49 employees). Together micro and small firms employ one third (33%) of total employment in Flanders (private and public sector together). About 42% of the jobs in the private sector are located in micro or small firms.
- The share of social enterprises in the total business sector is rising but remains very low at 0.06%. Only 0.6% of total employment in Flanders is employment in social enterprises.
- In 2005 the start-up rate of new business in Flanders was 7.4%. This is a moderate rate compared to other countries like the UK (12.7%), Ireland (13.3%), Germany (10.6) and USA (9.7%)³. The largest number of start-ups in Flanders was found in the province of Antwerp. The survival rate of businesses after 5 years is quite high and stands at 68%. 0.8% of all business failed in 2006.
- 58% of the start ups were found in the following five sectors: professional services (16.1%), building sector (11.3%), wholesale business (11%), retail (10.2%) and catering (8.5%).
- In 2006 the Total Entrepreneurial Activity rate of Flanders measured by the Global Entrepreneurship Monitor was 3.05%. This means that 3 persons out of 100 Flemings had started a business or were in the process of starting up a business in 2006. This

¹ Micro firms are firms with 0 to 9 employees.

² Small firms are firms with 10 to 49 employees.

³ Data taken from International Benchmark Entrepreneurship by EIM (2006).

rate lies below the EU average of 5.01%. With this low score, Flanders has the lowest score of all 16 participating EU countries and even of all 40 countries participating world wide. Only Belgium scores worse with a TEA-rate of 2.73%. These low scores can be explained by the existence of sufficient alternatives for a risky self-employment career in Flanders (e.g. an extended social security system) which supply a high standard of living outside of entrepreneurship.

- GEM research also reveals that 87% of the Flemish persons which recently started a business or are planning to do this, did this because they were driven by certain opportunities in the market (compared to 78% in the EU). Only a low share of Flemish entrepreneurs is pushed into entrepreneurship by the fact that they have no alternative career option. This is highly correlated with the high standard of living in Flanders and the extended social security system.
- The self-employment rate in Flanders was 8.4% in 2005. In the period 2000-2005 it only rose by 0.4%. For a number of target groups, the self-employment rate lags behind like for women (4.9%), ethnic minorities (6.8%) and youth (2.6%).

We can conclude the following about the entrepreneurial dynamics of Flanders:

- Start-up rates are relatively low and the GEM TEA-index is the lowest in Europe.
- The self-employment rate in Flanders is rather low, with certain target groups lagging behind (e.g. women, youth, ethnic minorities)
- The share of social enterprises in the business sector and their employment potential is still limited.

→ Therefore, the Flemish government has made entrepreneurship a policy priority in the last years. A change in the mentality of the Flemish population is needed to convince more people to become an entrepreneur (e.g. actions in the field of education, wider presence of entrepreneurship in the media). In addition, the coalition agreement of the current Flemish government mentions that a number of target groups with high entrepreneurial potential need to be actively stimulated and sensibilised towards the option of entrepreneurship (e.g. youth, women, older persons (+45), migrants).

2. THE POLICY FRAMEWORK

2.1. ADMINISTRATIVE CONDITIONS AND FRAMEWORK

The following table summarizes evidence about the administrative conditions and framework in Flanders concerning self-employment and setting up a business.

Table 4: Administrative conditions and framework

STATEMENT	EVIDENCE
Administrative procedures for setting up a business are better than the EU average	4 procedures to set up a firm compared to 7.4 (EU25-average); 34 days tot set up a firm, 27.5 is EU25-average
It is possible to set up a company and test trade for a period without losing benefits	Preparation period to set up a firm of max 6 months while receiving benefits
There is exemption from tax, VAT and/or social charges for start-ups and companies below a certain turnover	Starting companies can be exempted from social charges for a period of 3 years; 15% reduction in social charges in 4th year of self-employment; starting firms are exempted from advance payments of company taxes during a period of 3 years without tax increase.
It is possible to combine self employment with other activities without extra cost or administrative burdens	no social charges for self-employed in second job with limited income; but separate social security systems
Integrated financial programmes are available to support unemployed/inactive people becoming self employed.	Starters loan (30,000€) for unemployed plus 18 months free guidance; young self-employed plan (< 30y): free support and advice, loan (4,500€), monthly allowance (375€ in preparation phase); Solidarity loan: (12,000€) for people having difficulties to find start-up finance caused by their personal financial situation (e.g. social benefits)
Employment and social security offices recognise and encourage the self employment option	VDAB: e-scan, free course in business management, on-line course: setting up your own business
Other incentives	Employees can take a career break to start up a company (with a premium for max 12 months). Condition: already part-time self-employed during 12 months before career break

- In Belgium it takes only 4 procedures to set up a firm compared to a EU25-average of 7.4 procedures. However, on average 34 days are needed to start-up a firm which is above the EU25-average of 27.5 days.
- Several federal and Flemish measures have been taken to encourage unemployed people to become self-employed. During a preparation period of maximum 6 months, unemployed persons can set up a firm and test trade while continuing to receive unemployment benefits. Financial support to unemployed setting up a firm is provided by the federal Participation Fund. A starter's loan of max. 30,000€ is provided and the

unemployed person gets free guidance and support during 18 months. There is also a solidarity loan (max. 12,000€) for people having difficulty to raise start-up capital because they have financial difficulties (e.g. receiving social benefits or a living allowance).

- Employment and social security offices are starting to acknowledge the self-employment option as a way of integrating unemployed into the labour market. The Flemish public employment agency (VDAB) tests candidates on their entrepreneurial potential by means of a so-called e-scan. Persons who pass the test, are offered a free course in business management necessary to be able to set up a business in Belgium.
- For young entrepreneurs (< 30 years) the Participation Fund also has a specific initiative: the young self-employment plan. This plan offers free support and advice to set up a firm, a loan of max. 4,500€ and even a monthly allowance (375€) during the preparation phase.
- The Belgian government stimulates starting self-employed persons by exempting them from social charges for the first 3 years of their business life. In the 4th year of self-employment, a reduction of 15% on the social charges is given. Moreover, starting firms are exempted from advance payments of company taxes during a period of 3 years without the punishment of tax increase.
- Combining self-employment with other paid work is difficult in Belgium because of the separate social security systems for self-employed and employees. If the second job in self-employment brings only a limited income, no social charges for the self-employed have to be paid.
- A specific federal initiative to stimulate entrepreneurship is that employees can take a career break to start up a company. During max. 12 months they receive a premium to compensate the low income of a starting self-employed person. An important condition is that the employee has to be already part-time self-employed during 12 months before taking this special kind of career break.

In conclusion, we can say that the Flemish policy framework provides a range of supporting and stimulating actions for starting entrepreneurs. Starting finance together with support and advice is available for target groups like unemployed and persons receiving social benefits. However, for certain target groups like young people who are not unemployed, no specific initiatives are taken. In addition, the transfer from employee to self-employment is not evident, as the social security systems are separate with limited benefits for the self-employed.

2.2. STRATEGY FOR INCLUSIVE ENTERPRISE

- Entrepreneurship has become a top priority in Flanders for different policy areas (work, education, social economy, business development). The department of Economy takes the lead in promoting entrepreneurship, but also other departments are involved (e.g. Work, Education, Social Economy). Written action plans are made, but these are not integrated and are developed for each department separately (e.g. Action plan entrepreneurship and education).
- A typical start-up in Flanders can call upon many sources of advice: employer organisations on a local or regional level (e.g. Voka, Unizo), local chamber of commerce, VLAO (Flemish government central contact point for entrepreneurs), KMO Direct (dense network of entrepreneurial offices recognized by the federal government providing information to set up a business). If the starter belongs to a particular target

group (e.g. unemployed, women, ethnic migrant) a number of social profit organisations can provide targeted advice and support to the starter.

- Policy makers point to a lack of coordination and cooperation between the initiatives on a local, regional and national level and organisations involved in providing business support. Information about setting up a business is widely spread amongst several organisations in Flanders. Examples are Unizo (the Belgian Union for Self-employed), Voka (Flemish employer organisation), VLAO (Flemish Agency for Entrepreneurs, the contact point of the Flemish government for entrepreneurs), Syntra Flanders (Flemish Agency for Entrepreneurial Training). Competences about stimulating and supporting entrepreneurship remain scattered among public and private organisations (like the organisations mentioned above) and non-profit organisations and social enterprises (these two last groups focus on providing support for person from target groups and guiding these persons towards entrepreneurship).
- There have been many positive changes over the last years with specific attention for target groups. In 2006, the Flemish minister of Education established the 'hub for entrepreneurial training' (draaischijf ondernemersvorming) within the organisation of Syntra Flanders. One of the key tasks of this organism is to stimulate entrepreneurship for target groups (unemployed, migrants, women). In this context, unemployed can follow free courses in business management and special courses for migrants with interpreters are organised.
- VDAB (the public employment service (PES) of Flanders) is in the process of recognizing that self-employment can be a valid option for unemployed to integrate themselves on the labour market. Still there is much room left for improvement.
- Policy makers point to the fact that Flemish regulation regarding entrepreneurial issues is often unclear, less transparent and changes too often. An example is the so-called starter vouchers which offered a financial compensation for persons starting up a business. These vouchers were abolished at the time when they became current.
- Another area of improvement is that more intermediaries should be mobilised to detect entrepreneurial potential. Examples are counsellors responsible for the naturalisation of migrants and social benefit providers. Many intermediaries are cynical about people from target groups having the competences to become self-employed. Work remains to be done on this predisposed attitude concerning the entrepreneurial potential of target groups.

3. STAKEHOLDER ASSESSMENT POLICIES FOR INCLUSIVE ENTREPRENEURSHIP

3.1. INTRODUCTION TO SECTION

In this section, a stakeholder assessment of policies for inclusive entrepreneurship is presented. Three different groups of stakeholders were involved in the assessment:

- 1) Policy makers from different policy areas like the Flemish department of Education and Training who have insight into the general policy framework supporting entrepreneurship in Flanders;
- 2) Specialist advisors who have experience in stimulating target groups like unemployed, women, ethnic minorities, youth etc. to become self-employed and supporting them to set up their own business (e.g. Vlajo, NFTE, Syntra Vlaanderen, Co-Actief);
- 3) Entrepreneurs (users) belonging to target groups that have started up a business in the recent past. The entrepreneurs that have filled in the tool belong to four different target groups: migrants/ethnic minorities, women, young people under 30 and unemployed.

Four different areas of the enterprise support system were identified and a number of statements about these areas were scored by the three stakeholder groups:

- 1) Culture and conditions for entrepreneurship
- 2) Start-up support and training
- 3) Support for consolidation and growth
- 4) Access to appropriate finance

Each statement was given a score by the stakeholders going from 1 to 4. The weakest score of 1 means that the stakeholder did not agree at all with the statement in question. In contrast, a high score of 4 was accorded to statements with which the stakeholder totally agreed. Scores of 2 or 3 represent intermediate degrees of agreement.

For each statement, an average score was calculated for each of the three stakeholder groups. In addition, an overall average score for each of the four areas of the enterprise support system mentioned above was computed, and this again for each stakeholder group. This makes it possible to compare opinions among stakeholder groups about the same area or subject. Hereafter, the scores are visualised in graphs, which makes it easier to draw conclusions and make comparisons. In Annex 1 all scores for all stakeholders are presented by means of a filled-in version of the tool. A score is colour coded, red, yellow or green, depending on the value and tables produced of the colour coded average score for each statement. These colours can be analysed as follows: green means the entrepreneurship activity is viewed to be good, yellow means fair but needs to be kept under review and red stands for a poor score. These colours function as traffic lights warning users of the tool to aspects of the enterprise support system which need improvement.

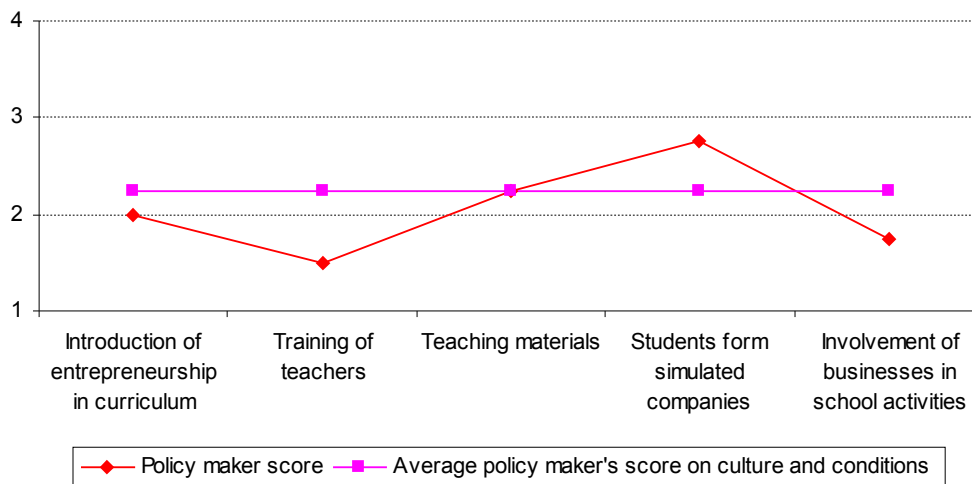
We now elaborate on each of the four areas of the enterprise support system and discuss the scoring by the three stakeholder groups.

3.2. CREATING THE CULTURE AND CONDITIONS FOR ENTREPRENEURSHIP

3.2.1. Policy makers

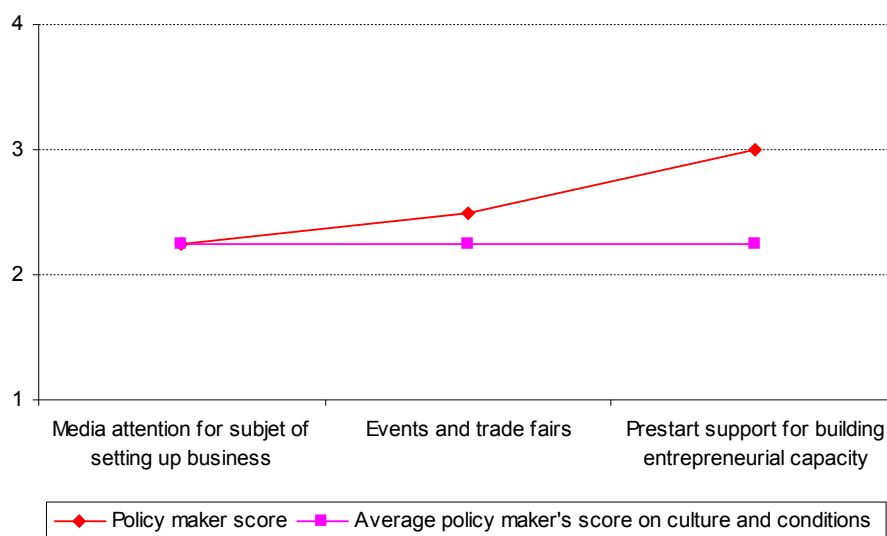
Policy makers scored eight different statements about the culture and conditions for entrepreneurship in Flanders. The scores for five statements about fostering entrepreneurship culture in the education system are presented in Figure 1 below. Figure 2 presents the scores for the three other statements concerning media and capacity building. In each graph, the score of each individual statement is presented along with the average policy maker's score on the total area of entrepreneurship culture (this is thus the average score on all eight statements).

Figure 1: Policy makers' view on entrepreneurship culture (education system)



- Only the statement that children/students are able to form real or simulated companies to learn about trade scores better than the average score for culture and conditions.
- Training teachers on entrepreneurship issues has the weakest score as specific teaching materials are available (although often adapted from other countries), but teachers do not know how to use these materials and integrate them into existing courses.
- Entrepreneurship is not included in the curricula and learning objectives of schools in Flanders, but schools have to pay explicit attention to entrepreneurial competences like creativity and autonomy.
- More work remains to be done to increase the involvement of businesses in school activities (see the weak score in the graph above).

Figure 2: Policy makers' view on entrepreneurship culture (media and capacity building)

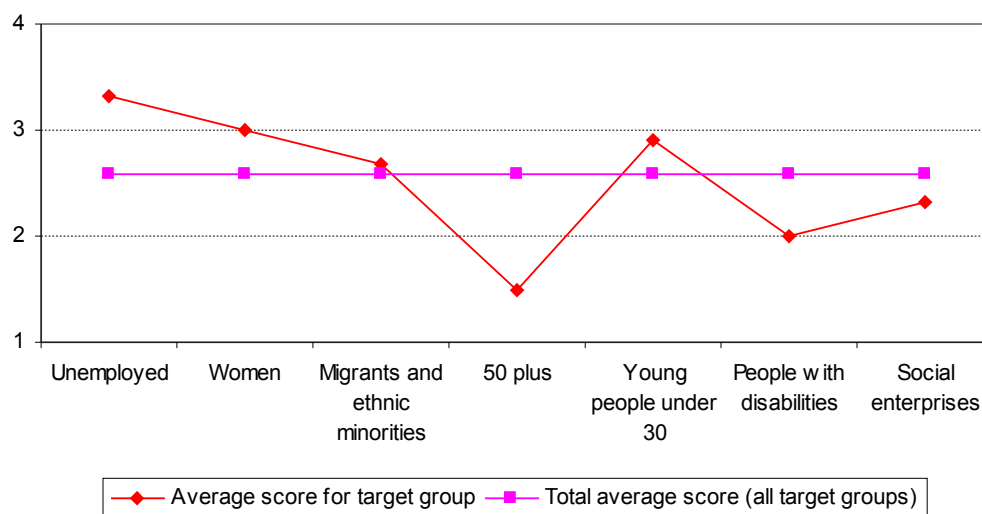


- Good scores are given for the organisation of regular events and trade fairs targeted at start-ups as well as for pre-start support for building entrepreneurial capacity and business ideas.
- As different TV channels have created programmes about entrepreneurship, there is certainly more media attention for the subject of setting up a business in Flanders. This statement was scored averagely by the policy makers, as improvement still needs to be made on this subject.

3.2.2. Specialist advisors

Figure 3 below summarizes the average scores of the specialist advisors concerning the three statements about entrepreneurship culture and this for each target group separately. The total average score for all target groups is also presented in the graph.

Figure 3: Specialist advisors' view on entrepreneurship culture by target group

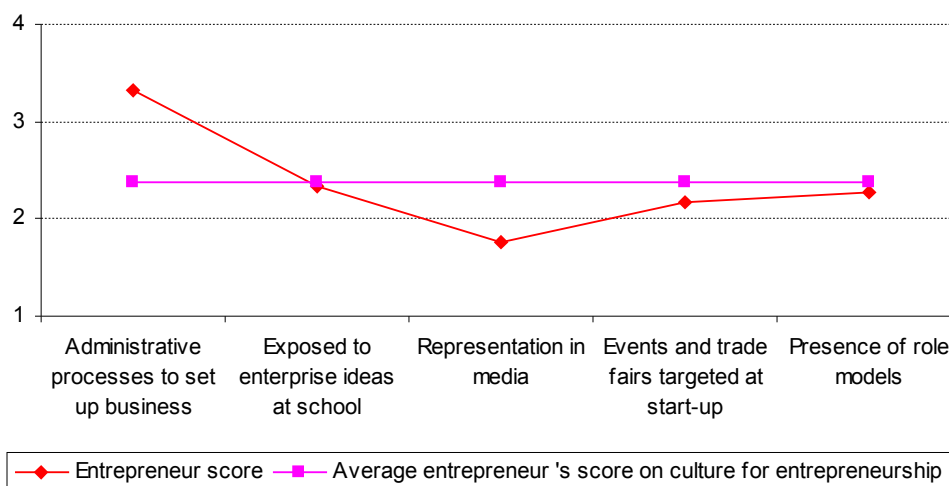


- The graph shows that scores differ highly between target groups. Especially for older persons (+50) and people with disabilities the scores are weak. For these two target groups there are insufficient teaching materials available adapted to the target group in question and not enough pre-start capacity and confidence raising activities among the target group in question.
- Specialist advisors give a good average score on the statements about enterprise culture for the other target groups (women, unemployed and young people under 30).
- In general, specialist advisors remark that too little role models are available, especially for the target groups of ethnic minorities and social enterprises. This is an area of improvement as knowing an entrepreneur in person and positive image building about inclusive entrepreneurship are important factors stimulating persons to start up a business of their own.

3.2.3. Entrepreneurs

Figure 4 below presents the scores of the entrepreneurs for the area of entrepreneurship culture.

Figure 4: Entrepreneurs' view on entrepreneurship culture



- Entrepreneurs give a very good score to the administrative processes to set up a business which they find fairly straightforward and quick.
- Especially the young entrepreneurs (under 30) and migrants find that they were too little exposed to enterprise ideas while at school.
- Entrepreneurs of all target groups (women, migrants, young people under 30 and unemployed) find that they are not well represented in the media. They add that entrepreneurship in general is not sufficiently present in the media. This is seen as the weakest point of the entrepreneurship culture in Flanders by the entrepreneurs.
- The presence of role models to encourage them to go into business is also weak for all target groups, but especially for unemployed and migrants.

3.2.4. Conclusion about entrepreneurship culture

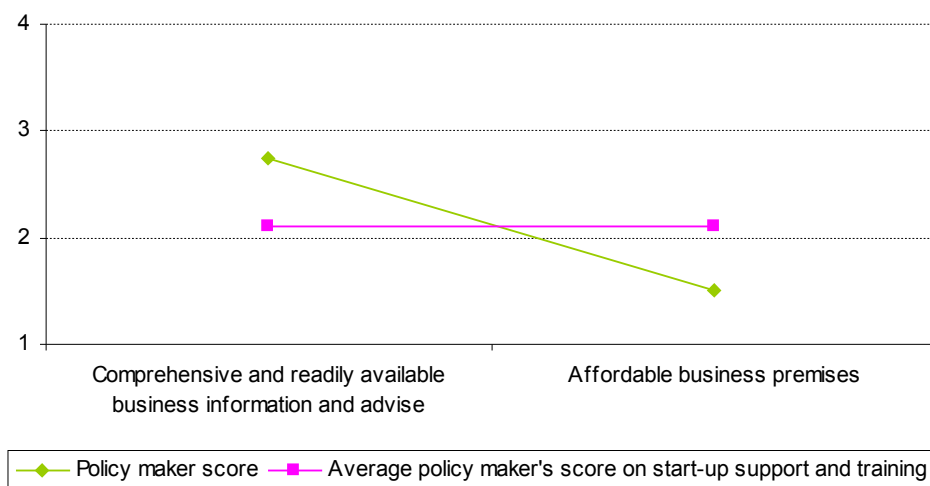
- In general, scores for entrepreneurship culture giving by all stakeholders are rather weak. This is clearly an area for improvement in Flanders.
- Both policy makers and specialist advisors point attention to the lack of training of teachers about entrepreneurship issues. This is a very crucial point as teachers have to increase and stimulate entrepreneurial attitudes by students and pupils.
- There are insufficient role models for target groups available inciting people from target groups to start-up a business. This lack of role models is confirmed by both specialist advisors and entrepreneurs.
- Media attention for the subject of entrepreneurship in general, as well as representation of entrepreneurs from target groups in the media also has to be improved upon.

3.3. START-UP SUPPORT AND TRAINING

3.3.1. Policy makers

Figure 5 below summarizes the scores of policy makers on the area of start-up support and training.

Figure 5: Policy makers' view on start-up support and training



- Policy makers attach a good score to the statement that business start-ups can access comprehensive and readily available business information and advice. Enough information is available, but the accessibility of and familiarity with these initiatives can be improved upon. Many different organisations are involved in providing business information, but entrepreneurs have to know them and get easy access to them. Also, the quality of the business advice depends highly on the person who gives it.
- A weak score is given to affordable business premises with easy to enter and exit conditions. Policy makers point to a lack of good retail infrastructure in cities and to the issue of mobility towards the incubator space or start-up centre.

3.3.2. Specialist advisors

Figure 6 below shows the average score of specialist advisors on the area of start-up and training by target group. Good scores are given for the target groups social enterprises and the unemployed. All other target groups have a rather weak score (around 2). Especially for persons with disabilities more adapted start-up support and advice can be given.

Figure 6: Specialist advisors' view on start-up support and training by target group

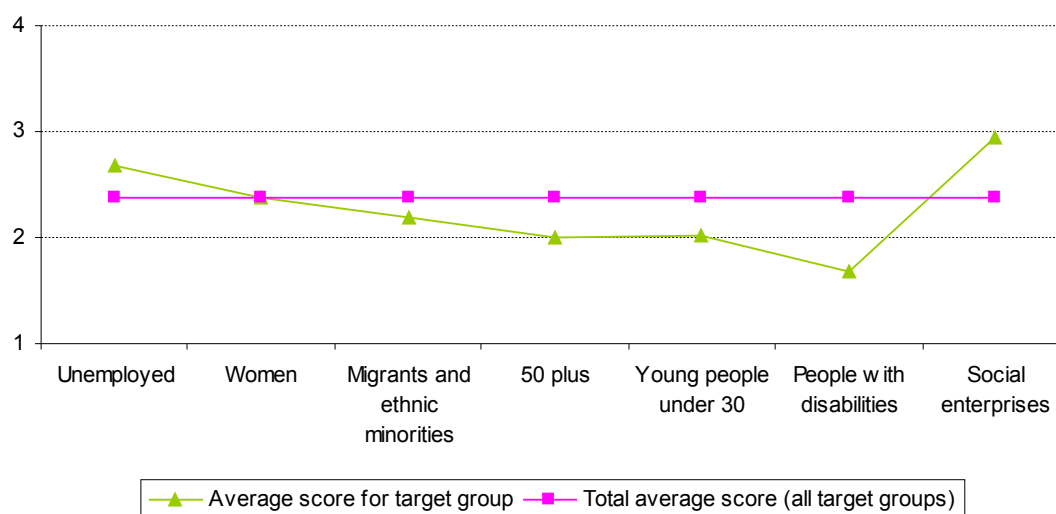
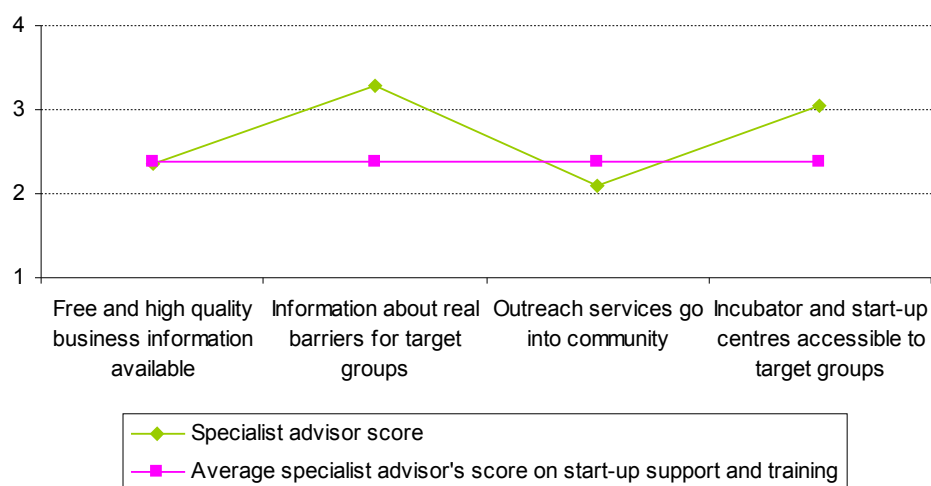


Figure 7 and Figure 9 give more detailed information about the different statements specialist advisors scored concerning start-up support and training.

Figure 7: Specialist advisors' view on start-up support and training

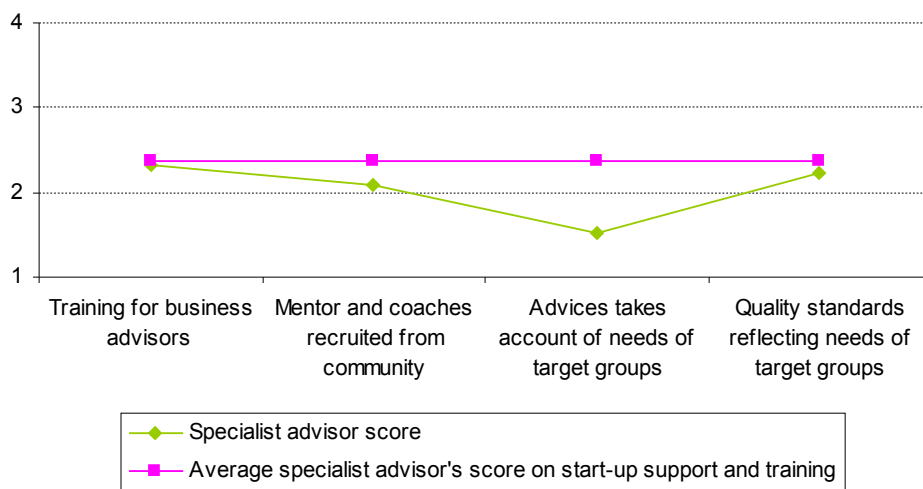


- Specialist advisors give a lower score to the accessibility of free, high quality and readily available business information than policy makers. They find that the information is insufficiently adapted to the needs of the different target groups (e.g. the regulation is too complex), especially for the target groups of social enterprises, persons with disabilities, older people (+50) and ethnic minorities. The accessibility of certain information can also be low for these target groups.
- Specialist advisors also point to problems with mobility towards incubator and start-up centres. These centres are often located at the border of cities and towns and are as such difficult to reach with public transport. This can create a barrier for entrepreneurs from target groups like the unemployed, young people under 30 and women.

- A very good score is given to the statement that the real barriers to entrepreneurship for target groups are known by business support organisations (e.g. by studies, monitoring).

Specialist advisors also scored a number of statements concerning quality standards and training of business advisors providing start-up support and advice to starting firms. The scores are summarized in Figure 8 below.

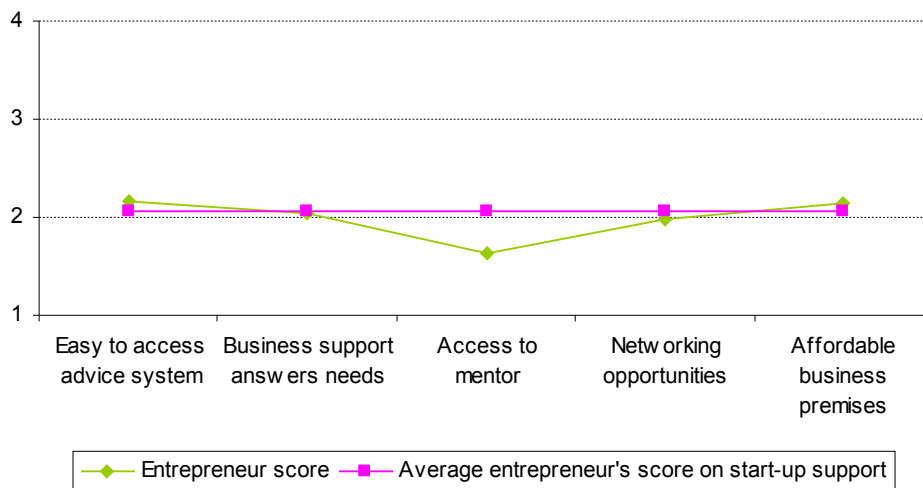
Figure 8: Specialist advisors' view on quality standards and training of business advisors



- Specialist advisors score quality standards and training of business advisors rather weak. The biggest improvement is necessary on the fact that business advice should take account of the needs of target groups. Especially women, people with disabilities and older persons (50+) have problems receiving adapted business advice. The specialist advisors suggest making use of a checklist so that business advisors know which specific steps to follow when guiding a person from a target group. This result agrees with the view of policy makers that enough business information is available in Flanders, but it is insufficiently adapted to the needs of target groups.
- Specialist advisors have mixed experiences regarding quality standards reflecting the needs of target groups. For young people under 30 and people with disabilities the scores are the weakest. The quality of the business advice depends also heavily on the person who provides it.
- For the moment, there is still a lack of mentors and coaches with business experience recruited from the community to work with new entrepreneurs. However, the specialist advisors expect this to improve in the future as more people from target groups are starting up a firm and can act as a mentor once they have gained business experience.

3.3.3. Entrepreneurs

Figure 9: Entrepreneurs' view on start-up support



- Entrepreneurs score all statements about start-up support rather weak.
- Most problematic is the lack of access to a mentor, especially for migrants and young people under 30.
- Entrepreneurs point to the fact that there are too many actors providing business support to starters in Flanders, which causes confusing. Moreover, the competences of some business advisors are questioned.
- The quality of business premises is described as quite poor while premises quality is essential to convince new clients and attract entrepreneurs.
- In addition, entrepreneurs would like more networking opportunities for starting entrepreneurs, especially for the target groups of migrants and women.

3.3.4. Conclusion start-up support and training

All stakeholders agree that enough business support and information is available in Flanders. However, there are several areas of improvement in this field identified:

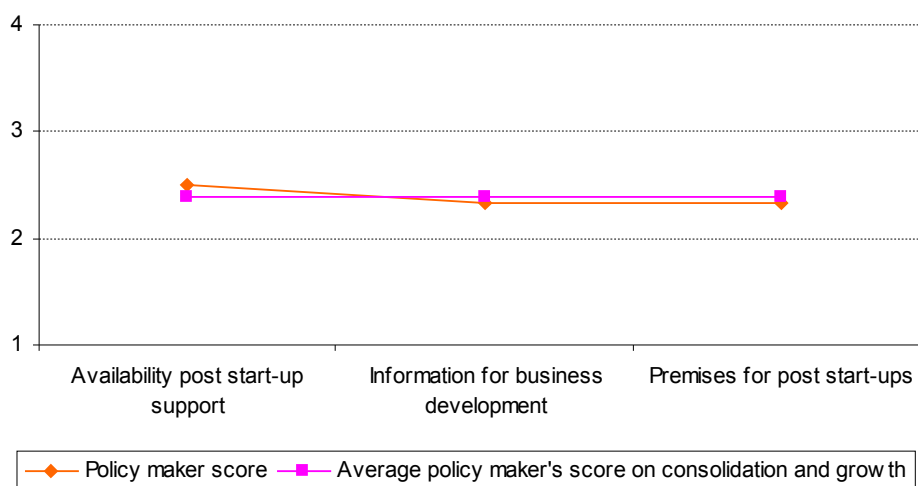
- The support and advice is not accessible for every starting entrepreneur. Accessibility is a problem for certain target groups, especially women, older persons (+50), people with disabilities and social enterprises. This is also confirmed by the entrepreneurs.
- The support and advice is not sufficiently adapted to needs of certain target groups (women, +50, social enterprises).
- The quality of the business advice is variable and depends highly on the individual business advisor that is giving the advice. Entrepreneurs doubt the competences of some business advisors.
- Too many actors are involved in the business support system in Flanders, which causes confusing for starting entrepreneurs.
- A lack of mentors is reported by both specialist advisors and entrepreneurs.

Moreover, a lack of affordable business premises for start-up is reported by the policy makers. As Flanders is densely populated, space is a scarce production factor. Policy makers acknowledge that creating space for entrepreneurs is an important economic challenge for Flanders. The Flemish government plans increased investments in incubator centres, business premises and science parks in the next years. Entrepreneurs describe the quality of business premises for start-up as quite poor.

3.4. SUPPORT FOR CONSOLIDATION AND GROWTH

3.4.1. Policy makers

Figure 10: Policy makers' view on consolidation and growth support

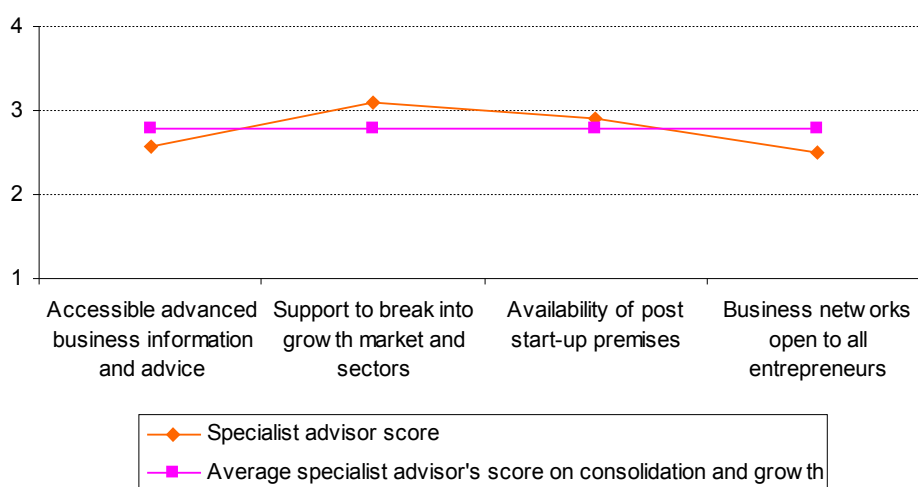


- Policy makers point to the fact post start-up support is available, but it is restricted to certain sectors (e.g. high technology) as well as to certain firms (e.g. fast growing firms).
- Concerning information about business development (e.g. exports, technology) sufficient information is provided by different government organisations (e.g. Flanders Investment and Trade). However, the quality of the services again depends heavily on the person who is providing the information.

3.4.2. Specialist advisors

The results of the scoring process by specialist advisors about the area of consolidation and growth are presented in Figure 11 below.

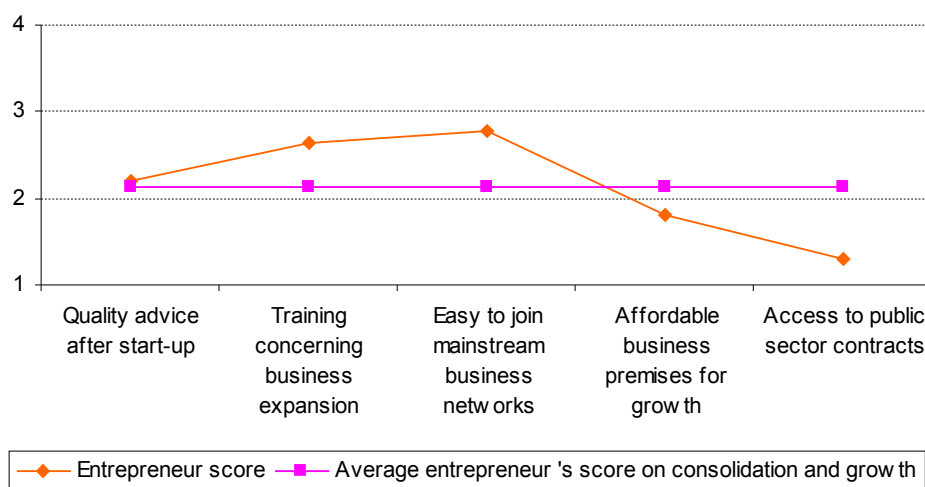
Figure 11: Specialist advisors' view on consolidation and growth support



- Again, the scores of the specialist advisors for statements about support for consolidation and growth lie higher than those of the policy makers. Policy advisors point to the fact that the profile of the entrepreneur plays less a role in the growth phase than in the start-up phase.
- A weaker score is given to the accessibility of more advanced business information. This kind of information is available for gazelles (fast growing companies), but not for all target groups. For example, accessibility is low for migrants and young people under 30 years. There is a large supply of specific support, but many entrepreneurs do not know that this support exists. There should be more and better communication about it. Handing over a pile of brochures is not sufficient, extra explanation is necessary. There is support, but the policy advisors sometimes doubt the accessibility of this support.
- Specialist advisors attach a good score to support provided to break into growth markets and sectors. Like the policy makers, they stress that the support is focussed on certain sectors and not globally provided. In order for firms to grow, the creation of networks and cooperatives consisting of complementary firms are deemed important.
- There exist different clusters of entrepreneurial networks, but it is questionable if they make an effort to reach entrepreneurs from target groups. Specialist advisors find cooperation with peers in networks and cooperatives very useful to exchange information.

3.4.3. Entrepreneurs

Figure 12: Entrepreneurs' view on consolidation and growth support



- Strong points in the consolidation and growth phase as seen by the entrepreneurs are high quality training in the areas required for business expansion and the fact that it is easy to join mainstream business networks.
- Entrepreneurs score access to public sector contracts very poorly and this for all four target groups (unemployed, women, migrants, young persons under 30).
- In addition, there are not sufficient affordable business premises to allow for firm growth.

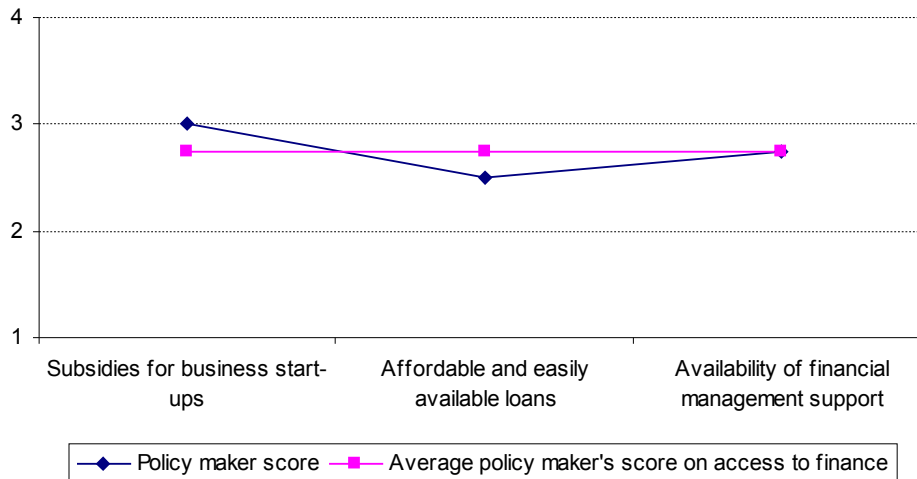
3.4.4. Conclusion consolidation and growth support

In general, scores are higher for consolidation and growth support than for start-up support and training. Also, in the consolidation and growth phase, the fact that an entrepreneur belongs to a target group plays less a role. Stakeholders find that information and support for business growth and consolidation is sufficiently available (also for target groups), but it is focussed on certain growth sectors and certain type of firms (e.g. fast growing firms). This means that support is not provided comprehensively for all sectors and for all firms. In addition, entrepreneurs belonging to target groups point to the fact that they lack access to public sector contracts.

3.5. ACCESS TO APPROPRIATE FINANCE

3.5.1. Policy makers

Figure 13: Policy makers' view on access to finance

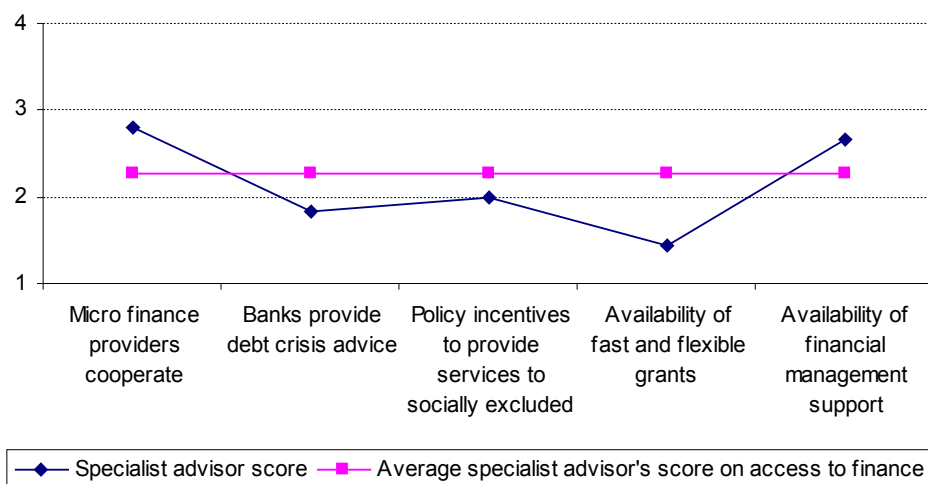


- Policy makers score the area of access to finance rather well. However, the availability of affordable (commercial) loans can be a problem for start-ups. Banks require solid business plans and guarantees. For certain sectors, it is more difficult to get loans e.g. for catering businesses.
- Subsidies for business start-ups are sufficiently available:
 - for target groups: Participation Fund (loans for starters, unemployed, social benefit receivers, SMEs), Trividend (provides venture capital to the social economy sector in Flanders)
 - for certain sectors or type of companies: BAN Flanders (Business Angel Network Flanders: venture capital for starting or growing entrepreneurs), VINNOF (Flemish Innovation Fund: financing for innovative business projects)
 - Vriendenlening (Friends' loan): a subordinated debt of maximum 50,000€ provided by friends and family. To encourage the start-up of firms, the government bears part of the risk. If the company fails in paying back the loan, the investor gets 30% of the loan back via a single tax reduction. Moreover, during the duration period of 8 year of the loan, a yearly tax reduction of 2.5% on the lent amount is given.

3.5.2. Specialist advisors

The opinions of specialist advisors concerning access to appropriate finance are summarized in Figure 14 below.

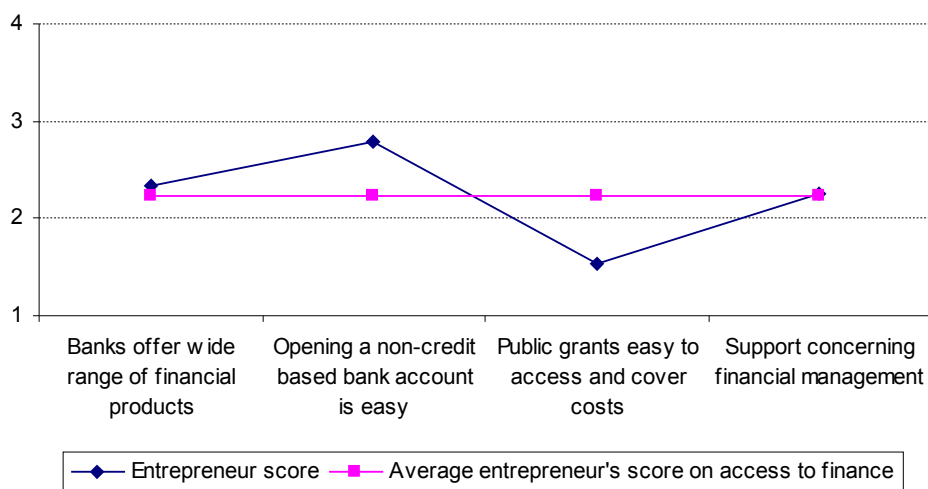
Figure 14: Specialist advisors' view on access to finance



- According to specialist advisors the most problematic field in the area of access to finance is the availability of grants that are fast and flexible and help cover the most important start-up costs. More in detail, there are sufficient grants available, but grants are not received fast enough and the amount of the grant is often too low. This causes liquidity problems for many starting firms.
- In addition, commercial banks are not very accessible for entrepreneurs from target groups.
- Policy incentives to provide services to the socially excluded exist, but there are little initiatives in commercial financial firms.
- The situation relating to micro finance as well as financial management support is better, but there is still room for improvement according to the specialist advisors, especially concerning the accessibility of these initiatives for the different target groups (young people under 30 and social enterprises).

3.5.3. Entrepreneurs

Figure 15: Entrepreneurs' view on access to finance



- Entrepreneurs consider opening up a non-credit based bank account as easy.
- In agreement with the view of specialist advisors, entrepreneurs score the accessibility and amount of grants very poorly. They state that it takes too long to receive the grant and that the administration costs sometimes exceed the grant value.
- Support for managing the financial aspects of a business is available, at least if entrepreneurs can afford to pay for it (e.g. accountant).

3.5.4. Conclusion access to finance

Subsidies and grants for start-up are sufficiently available in Flanders. However, the amount is sometimes too low and the grants are not received fast enough causing liquidity problems for starting firms. This is mentioned by specialist advisors as well as by the entrepreneurs themselves. Moreover, commercial banks are not very accessible for entrepreneurs from target groups. It is the social economy, non-profit organizations and the government that provide (micro) finance to starting entrepreneurs in general and to entrepreneurs from target groups.

4. SUMMARY OF KEY STRENGTHS AND AREAS FOR IMPROVEMENT IDENTIFIED BY STAKEHOLDERS

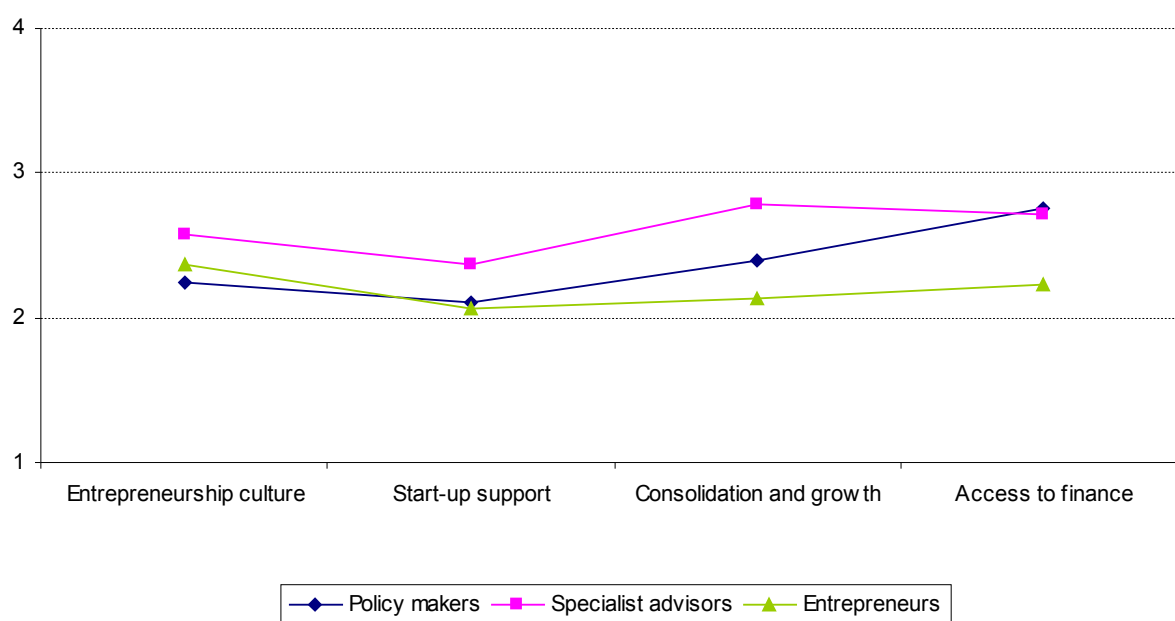
4.1. INTRODUCTION

In this section we look at the main strengths and areas for improvement of the enterprise support system in Flanders as identified by the three groups of stakeholders. This is done by aggregating the detailed information presented above for each of the stakeholder groups to the level of the four areas of the enterprise support system: entrepreneurship culture, start-up support and advice, support during consolidation and growth and access to appropriate finance.

4.2. STRENGTHS AND CHALLENGES OF THE ENTERPRISE SUPPORT SYSTEM

Figure 16 below presents the average scores for each of the four areas of the enterprise support system in Flanders as accorded by the three different stakeholder groups.

Figure 16: Summary strengths and challenges for the enterprise support system



- The figure above clearly shows that summary scores for all areas of the enterprise support system in Flanders lie between 2 (weak) and 3 (good). This means that the global enterprise support system in Flanders can be improved upon.
- The specialist advisors give in general higher scores on all areas than the policy advisors and the entrepreneurs.
- The most problematic area in Flanders is **start-up support and advice**. Although sufficient advice and support is provided, this support needs to be made accessible for and adapted to all target groups. Other key challenges in this area are increasing the possibility for starting entrepreneurs to use mentors and making more business premises of better quality available to starters.
- **Entrepreneurship culture** is the area which scores the second weakest. Key challenges in this area are training teachers on entrepreneurial issues and increasing the involvement of businesses in school activities. Other points of improvement are providing more role models for entrepreneurs belonging to target groups and increased media attention for (inclusive) entrepreneurship. A strength in the area of culture and conditions are the straightforward and quick administrative processes to set up a business.
- **Access to finance** is the area of the Flemish business support system which scores best. This area gets good scores from policy makers and specialist advisors, but a somewhat lower score from entrepreneurs. An important key strength of this area is the availability of start-up financing in general and also for target groups. However, points of improvement here are the time delay until the subsidies are received and the sometimes too low amount of the subsidy. Micro financing in Flanders is provided mostly by the government, social enterprises and non-profit organisations. Increasing the involvement of commercial banks in micro financing is another point of attention.
- The area of support for companies in the **consolidation and growth** phase is scored good by policy makers and weaker by specialist advisors and entrepreneurs. A strength in this area is the provision of advanced business information and growth support. But this consolidation and growth support is focused on certain sector and type of companies and should be provided more comprehensively. Other strengths in this area are high quality training in fields required for business expansion and the ease of joining mainstream business networks.

Table 5 below summarizes the key strengths and challenges of the entrepreneurship support system in Flanders.

Table 5: Key strengths and challenges of entrepreneurship support system in Flanders

	Strengths	Challenges
Strategy	<ul style="list-style-type: none"> -Entrepreneurship is a top priority for different policy areas -Increased policy attention for inclusive entrepreneurship 	<ul style="list-style-type: none"> -Improve coordination and cooperation between initiatives on a local, regional and national level -Better mobilise intermediaries to detect entrepreneurial potential
Culture and conditions	<ul style="list-style-type: none"> -Children/students can form simulated companies -Administrative processes to set up a business are straightforward and quick 	<ul style="list-style-type: none"> -Training teachers on entrepreneurship issues -Increase involvement of businesses in school activities -More role models from target groups are needed -Increase media attention for entrepreneurship in general and for entrepreneurs from target groups
Start-up Support	<ul style="list-style-type: none"> -Start-up support and business advice is sufficiently available -Real barriers to entrepreneurship for target groups are known by business support organisations 	<ul style="list-style-type: none"> -Making the support and advice adapted to and accessible for all target groups -Increase quality of the business support provided -More mentors are needed -Lack of business premises of good quality
Growth and Consolidation	<ul style="list-style-type: none"> -More advanced business information for certain (growth) sectors and type of companies is available and accessible -High quality training in areas required for business expansion -Joining mainstream business networks is easy 	<ul style="list-style-type: none"> -Provide advanced business support more comprehensively (all sector and all firms) -Make public sector contracts better accessible for entrepreneurs from target groups
Access to Finance	<ul style="list-style-type: none"> -Subsidies for business start-up and growth are sufficiently available, also for target groups -Micro finance provided by non-profit organisations, social economy and the government -Good quality financial management support is available 	<ul style="list-style-type: none"> -Increase amount of subsidies and make them faster available -Improve accessibility to commercial bank products for entrepreneurs from target groups -Increase participation of commercial banks in micro finance provision

5. POSSIBLE SOLUTIONS FROM OTHER REGIONS

The Community of Practice on Inclusive Entrepreneurship builds on the work carried out over the last five years by nearly 300 EQUAL development partnerships that have tested methods for opening up the process of business creation to all members of society. Many of the 12 countries involved in this work created National Thematic Networks to exchange and mainstream their findings. The Community of Practice has also drawn heavily on the work carried on within EQUAL in the Social Economy and from other EU, national and international programmes on entrepreneurship

One of the most remarkable results of all the work within EQUAL was that, although the definitions vary slightly in each Member State, the main themes dealt with in business creation were very similar across the countries. They have been described as the four parts of “an entrepreneurial ladder out of social exclusion”:- creating the culture and conditions for entrepreneurship; integrated start-up support and training, support for consolidation growth and access to appropriate finance.

The fact that so many projects were concerned with similar issues was one of the reasons for designing the tool for inclusive entrepreneurship around the same four themes. This allows the Community of Practice to create a bridge between the strengths and weaknesses in the business support system detected by the tool and the good practice that has been developed by EQUAL and other pilot (and mainstream) initiatives in other countries.

So far seven countries or regions have provided over 100 examples of good practice. These are Germany, Spain, the UK, Portugal, Flanders, France and Wallonia. But the aim is to extend and improve the data base as more countries and regions become members of the Community of Practice

The search facility and data base on the COPIE website allows people to search for new ideas which are directly linked to their areas of weakness. For example, if the tool for inclusive entrepreneurship indicates that there is a particular weakness in providing microfinance to ethnic minorities, it is simply necessary to go to the data base and click on the button for appropriate finance – this then shows all the cases that have been found on this subject. The searcher can then either home in on a more precise category of project like microfinance or they can look at all the projects that have focussed on a particular target group like ethnic minorities.

THEMES AND SUB THEMES	NO SPECIFIC TARGET GROUP	FORMERLY UNEMPLOYED	WOMEN	MIGRANTS AND ETHNIC MINORITIES	50 PLUS	YOUNG PEOPLE UNDER 30	PEOPLE WITH DISABILITIES	SOCIAL ENTERPRISES
PROGRAMMING RESEARCH, STRATEGY, MONITORING, EVALUATION	Click	Click	Click	Click	Click	Click	Click	Click
CREATING THE CULTURE FOR ENTREPRENEURSHIP	Click	Click	Click	Click	Click	Click	Click	Click
START UP	Click	Click	Click	Click	Click	Click	Click	Click
CONSOLIDATION AND GROWTH	Click	Click	Click	Click	Click	Click	Click	Click
ACCESS TO APPROPRIATE FINANCE	Click							

For example, in both *Berlin Mitte* and *Flanders* the tests carried out with the tool for inclusive entrepreneurship suggested that entrepreneurship education should be improved in schools through the provision of materials and the better training of teachers. A search of the data base of good practice in the COPIE website shows up a range of helpful examples including the experience of Valnalón in Asturias.

In order to foster the early development of entrepreneurship skills in Young people Valnalón has designed programmes for each educational stage with specific training materials for teachers, students and parents. More than 16,000 students are now using them in the region and the methods have been applied in several other regions and countries

In *Wales*, the tests using the tool for inclusive entrepreneurship pointed out that prestart support and role models for people with disabilities and the patchy provision of incubators were challenges. The data base of good practice in the COPIE website points to some good German examples of incubators and a very promising project for people with disabilities in France

Led by a French project (CAPH), three EQUAL partnerships concerned with support to business creation by handicapped people have produced a guide for business advisors called "Beyond the barriers (Au delà des Barrières). The guide introduces business advisors to the barriers faced by entrepreneurs with disabilities and provides them with a series of suggestions for overcoming them in the different stages of creating a business.

In Asturias, the lack of mentors and coaches with business experience, recruited from the community and the absence of quality standards and accredited training for advisors were seen as challenges for business support to disadvantaged groups. Once again the data base throughs up a series of promising projects in both the UK and Germany

For example, in the UK, the partnership Business Mentoring: An Equal Partnership led by the Princes Trust has developed National Occupational Standards for Business Mentors

In Germany a number of EQUAL project came together to create the National Association of Start-up Initiatives (VDG) which now has 47 members. VDG has created a minimum quality standard for business advisors based on good practice in the first round of EQUAL

The combination of the tool and data base of good practice also allows regions and countries to identify areas in which they want to work together in the future. They can decide to test out further innovative solutions in common priority areas, share the lessons and monitor the results on the enterprise support system via the tool. This allows them to constantly improve their plans and strategies for entrepreneurship – and unleash the creativity of more and more people.

ANNEX 1 THE TOOL COMPLETED FOR FLANDERS

POLICY FRAMEWORK		
THEME	STATEMENT	SCORE 1-4
1. STRATEGY	1.1 There is an overall strategy for encouraging entrepreneurship in the area	2,25
	1.2 There is a strategy which takes account of the needs of disadvantaged areas and groups	2,75
	1.3 The main organisations work together	2,25
	Total score strategy	2,42
2. CULTURE AND CONDITIONS	2.1 Schools and colleges have introduced entrepreneurship into the curriculum	2
	2.2 Teachers have been trained to work on enterprise issues	1,5
	2.3 Specially adapted teaching materials have been developed	2,25
	2.4 Children/students are able to form real or simulated companies to learn about trading	2,75
	2.5 Businesses are regularly involved in school activities.	1,75
	2.6 The subject of setting up a business is presented comprehensively and regularly by both regional and national media	2,25
	2.7 Events and trade fairs targeted at start-ups take place regularly	2,5
	2.8 There is pre-start support for building entrepreneurial capacity and business ideas	3
	Total score enterprise culture	2,25

THEME	STATEMENT	SCORE 1-4
3. START-UP SUPPORT AND TRAINING	3.1 Business start-ups can access comprehensive and readily available business information and advice	2,75
	3.2 There are affordable business premises with easy to enter and exit conditions	1,5
	Total score start-up and training	2,1
4. SUPPORT FOR CONSOLIDATION AND GROWTH	4.1 Post-start-up support is easily available	2,5
	4.2 It is easy to find information for business development (products, markets, export, technology..)	2,33
	4.3 Premises are available for post-start-ups	2,33
	Total score consolidation and growth	2,39
5. ACCESS TO FINANCE	5.1 Subsidies are provided to business start-ups	3
	5.2 Loans are affordable and easily available	2,5
	5.3 Financial management support is available	2,75
	Total score access to finance	2,75

POLICY ADVISORS										
THEME	Statement	Average	No specific target group	Unemployed	Women	Migrants/ethnic minorities	50 plus	Young people under 30	People with disabilities	Social Enterprises
1. CREATING THE CULTURE FOR ENTREPRENEURSHIP	1.1 There are (pre-start) capacity and confidence raising activities among target groups and communities.	2,69	3,00	3,50	3,00	3,00	1,00	3,00	2,00	3,00
	1.2 Teaching materials relate to specific groups	2,71	3,50	3,50	2,00	2,70	2,00	3,00	2,00	3,00
	1.3 Role models relate to specific groups	2,33	1,00	3,00	4,00	2,30		2,70		1,00
	Score for enterprise culture	2,58	2,50	3,33	3,00	2,67	1,50	2,90	2,00	2,33
2. START-UP	2.1 Business start-ups can access free, high quality and readily available business information from professional	2,35	3,00	2,50	3,00	2,30	2,00	3,00	1,00	2,00
	2.2 Business support organisations have established mechanisms for finding out about the real barriers to business creation among target groups (research, monitoring, proofing, regular contact..)	3,28	4,00	4,00	4,00	2,70	3,00	2,50	3,00	3,00
	2.3 Outreach services go into communities to reach target groups	2,10	2,30	1,50	2,00	2,00	2,00	2,00	2,00	3,00
	2.4 Mentors/coaches with business experience are recruited from the community to work with new entrepreneurs	2,09	2,00	3,00	2,00	2,00	2,00	1,70	2,00	2,00
	2.5 Business advice and planning methods take account of the needs of each target group	1,53	1,50	1,70	1,00	1,50	1,00	2,00	1,00	2,50
	2.6 There are quality standards for business advice which reflect the needs of target groups	2,23	2,30	3,00	3,00	2,00	2,00	1,00	1,00	3,50
	2.7 Business advisors receive accredited training and are sensitive to the needs of target groups	2,32	2,50		2,00	2,00		1,60		3,50
	2.8 Incubators or start-up centres have been established and are accessible to target groups	3,05	4,00	3,00	2,00	3,00		2,30		4,00

Score for start-up		2,37	2,70	2,67	2,38	2,19	2,00	2,01	1,67	2,94
THEME	Statement	Average	No specific target group	Unemployed	Women	Migrants/ethnic minorities	50 plus	Young people under 30	People with disabilities	Social Enterprises
3. CONSOLIDATION AND GROWTH	3.1 More advanced business information and advice on technology, markets, export is accessible to all entrepreneurs	2,58	2,30			2,00		2,00		4,00
	3.2 Specific support is available to entrepreneurs for breaking into potential growth markets and sectors	3,10	3; 4; 3			3,00		2,30		4,00
	3.3 Premises are available for post start ups	2,90	2,30			3,00		2,30		4,00
	3.4 Mechanisms are in place to support the transmission, replication and expansion of existing businesses (franchising, cooperatives...)	3,43	3,30					3,00		4,00
	3.5 There are healthy business to business networks around clusters/sectors which are open to all entrepreneurs	2,50	3,00					2,50		2,00
	3.6 There are effective measures to promote quality and image of local products/services	2,00	2,00					2,00		2,00
	3.7 Public procurement procedures have been made accessible to local private and social enterprises	2,95	3,50			3,00		2,30		3,00
Score for consolidation and growth		2,78	2,73			2,75		2,34		3,29

4. ACCESS TO APPROPRIATE FINANCE	4.1 Mechanisms are in place for finding out the real financial needs of different kinds of entrepreneurs	2,90	3,30			3,00	2,30	3,00
	4.2 Specialist micro finance providers work together with business support organisations and financial institutions	2,80	2,50			4,00	2,70	2,00
	4.3 Banks provide debt crisis advise	1,83	1,50				2,00	2,00
	4.4 Policy incentives exist to encourage for financial service providers to provide services to the socially excluded	2,00	2,00			2,00	2,00	
	4.5 Grants are fast and flexible and help cover the most important start-up costs (running costs, advice, test trading...)	1,43	1,30				1,00	2,00
	4.6 Financial management support is available with grants and loans	2,67	3,50				1,50	3,00
	Score for access to finance	2,27	2,35			3,00	1,92	2,40

ENTREPRENEURS										
THEMES		Average	no specific target group	Unemployed	Women	Migrants/ethnic minorities	50 plus	Young people under 30	People with disabilities	Social Enterprises
1. CREATING THE CULTURE FOR ENTRE- PRENEURSHIP	1.1 I found the administrative processes for setting up a business straightforward and quick	3,33		4,00	2,33	4,00		3,00		
	1.2 I was exposed to enterprise ideas while at school	2,33		3,00	2,33	2,00		2,00		
	1.3 Entrepreneurs like me are well presented in the media	1,77		2,00	2,33	1,00		1,75		
	1.4 I have attended events and trade fairs targeted at start ups	2,17		3,00	2,67	1,00		2,00		
	1.5 There are role models to encourage people like me to go into enterprise	2,27		2,00	2,33	2,00		2,75		
	Score for entrepreneurship culture	2,37		2,80	2,40	2,00		2,30		
2. START-UP SUPPORT	2.1 The advice system is easy to access and to get around	2,17		3,00	1,67	2,00		2,00		
	2.2 The business support available is friendly and answers my needs	2,04		3,00	1,67	2,00		1,50		
	2.3 I have had access to a mentor	1,63		2,00	2,00	1,00		1,50		
	2.4 Specialised training and materials are available which meets my needs	2,33		3,00	2,33	2,00		2,00		
	2.5 It is possible for me obtain recognition and accreditation for training and experience which reflects my real skills	2,17		3,00	1,67	2,00		2,00		
	2.6 There are networking opportunities for start ups like ourselves	1,98		3,00	1,67	1,00		2,25		
	2.7 There are affordable business premises with easy to enter conditions (short leases, etc)	2,14			1,67	3,00		1,75		
	Score for start-up support	2,07		2,83	1,81	1,86		1,86		

THEMES		Average	No specific target group	Unemployed	Women	Migrants/ethnic minorities	50 plus	Young people under 30	People with disabilities	Social Enterprises
3. CONSOLIDATION AND GROWTH	3.1 All entrepreneurs are able to obtain high quality advice for a period after start up	2,19		3,00	2,00	2,00		1,75		
	3.2 Entrepreneurs like us can easily access high quality training in the areas required for business expansion (ITC, marketing, financial management...)	2,63		3,00	3,00	2,00		2,50		
	3.3 It is easy to join mainstream business networks	2,77		3,00	2,33	3,00		2,75		
	3.4 There are sufficient premises of an affordable nature to allow for business growth	1,81			1,67	2,00		1,75		
	3.5 Public sector contracts are accessible to entrepreneurs like ourselves	1,29		1,00	1,67	1,00		1,50		
	Score for consolidation and growth	2,14		2,50	2,13	2,00		2,05		
4. ACCESS TO APPROPRIATE FINANCE	4.1 Banks provide a wide range of financial products to entrepreneurs like us	2,33		2,00	2,33	3,00		2,00		
	4.2 It is easy for all to open a non-credit based bank account	2,79		3,00	1,67	3,00		3,50		
	4.3 Public grants help cover some of the most important costs of setting up a business and are easy to access.	1,54		2,00	1,67	1,00		1,50		
	4.4 It is easy to get support for managing the financial aspects of the business	2,25		3,00	2,00	2,00		2,00		
	Score for access to finance	2,23		2,50	1,92	2,25		2,25		

