



# **National State of the Art Report**

ReEntry – Supporting Migrants into Self-Employment

Prepared by Meath Partnership

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## Socio-economic Profile of Migrants in your country

Based on the latest figures, taken from estimates of the Census 2016, the number of immigrants to Ireland in the year to April 2016 is estimated to have increased by almost 15% from 69,300 to 79,300 individuals. Of this total, non-Irish nationals from outside the EU accounted for 31,800 (40.1%) of total immigrants.

From the most recent published Census figures (2011), we see that there was a total population of 544,357 non-Irish nationals living in Ireland in April 2011, representing 199 different nations, with individuals from Poland and the United Kingdom constituting the largest groups of non-Irish nationals in Ireland. Of this figure, non-Irish nationals were split quite evenly by gender, with 271,864 males and 272,493 females, and 60% were in the 22 - 44 year age group.

Of this total population, 374,466 migrants were employed in Ireland in 2015, with updated figures from Census 2016 not yet available for this group. The latest figures available from the Integration Centre show that 9.6% of non-Irish nationals living in Ireland were self-employed in 2013.

## Policy Analysis

In terms of national policies which impact on migrant integration into the labour market, the Department of Justice and Equality published a Migrant Integration Strategy on 7<sup>th</sup> February, 2017; which will guide service provision for migrants and refugees in Ireland from 2017 through to 2020. This strategy sets targets for government departments in terms of providing “information to migrants in language-appropriate formats, ongoing intercultural awareness training for all front-line staff, signage in public offices indicating where interpretation is available, and clear information on how to make a complaint about racist behaviour by staff or another customer.” Additionally, this strategy outlines the following specific actions to be implemented in the next 3 years to support migrant integration in Ireland:

- ❖ Inclusion of a target of 1% for the employment of EEA migrants and people from minority ethnic communities in the civil service.
- ❖ Establishment by local authorities of networks aimed at reaching out to hard-to-reach migrant groups so as to help them to engage in the labour market and to provide information on their needs.
- ❖ Inclusion of a language component in education and training programmes for unemployed migrants with poor English proficiency.
- ❖ Initiatives to ensure that migrant needs in relation to skills acquisition and labour market activation are addressed.
- ❖ Initiatives to encourage the business sector to play a role in promoting integration.
- ❖ Establishment of a group to examine data gaps in relation to migrant needs and experiences.

From our desk-based research activities we can conclude that there are currently no specific national policies which promote migrant entrepreneurship directly in Ireland. However, the following policies apply to non-EEA migrants seeking to establish a business in Ireland:

“Non-EEA nationals who wish to be self-employed in Ireland may apply for “business permission”. To qualify, however, they must transfer capital of at least €300,000 and provide employment for a minimum of two EEA nationals. The number of business permissions issued is low. An immigrant entrepreneur scheme introduced in 2012 and amended in 2013 is for ‘high-potential start-ups’, has a lower capital requirement (€75,000) and has no initial job creation targets. An immigrant investor scheme has also been introduced. The business permissions scheme remains for more traditional business areas such as retail or hospitality.”

(Integration Centre, 2013)

## National Initiatives and Training Programmes

### 1. Start-Up Entrepreneurship Programme

- **Objectives:** The Start-up Entrepreneur Programme enables non-EEA nationals and their families who commit to a high potential start up business in Ireland to acquire a secure residency status in Ireland. The Start-up Entrepreneur Programme provides that migrants with a proposal for a high potential start-up in the innovation economy and funding of €50,000 can be given residency in this State for the purposes of developing their business. The scheme is not intended for retail, personal services, catering or other businesses of this nature; it is only intended for highly innovative new businesses as the scheme is designed to tap into the highly innovative entrepreneurial potential that exist among migrants in Ireland.

- **Target Group:** Non-EEA nationals who want to establish a high potential start-up business in Ireland and who have secured funding of a minimum of €50,000. At application stage these migrant entrepreneurs have to pitch a business idea for the innovation sector that is capable of creating 10 jobs and returning €1 million to the economy in four years.

- **Success of the programme:** This Programme was established by the Irish Government in 2012 to stimulate productive investment in Ireland and to offer residency to non-EEA migrant entrepreneurs who in turn will establish diverse, dynamic and innovative businesses in Ireland to the benefit of the Irish economy. This entrepreneurial start up scheme recognises the need to foster start-up enterprises in priority innovation sectors of the economy. Successful applicants and their family members will initially be granted residence in Ireland for two years, which will be renewable for a further three years. After 5 years residence, participants under the programme will be eligible for long term residence in the State. Since the inception of the scheme in 2012, 63 migrant entrepreneurs have been accepted onto the programme and have established their innovative businesses in Ireland, with a further 30 applications being assessed for 2016/2017 so far.

### 2. Immigrant Investor Programme

- **Objectives:** The Immigrant Investor Programme is open to non-EEA nationals and their families who commit to an approved investment in Ireland. Approved participants in the Programme and their immediate family members will be granted rights of residence in Ireland which will allow them to enter the State on multi-entry visas and to remain here for a defined period but with the possibility

of ongoing renewal. To qualify for this programme, migrant investors must adhere to one of the following investment options:

- *Endowment*: €500,000 to a public project benefiting the arts, sports, health, culture or education. The endowment can be €400,000 per investor if it is pooled by at least 5 individuals.
- *Enterprise Investment*: A minimum €500,000 aggregate investment into new or existing Irish businesses for a minimum of 3 years.
- *Investment Fund*: A minimum of €500,000 in an approved investment fund which would invest in Irish businesses and projects.
- *Real Estate Investment Trust (REIT)*: A minimum investment of €2 million in any Irish REIT listed on the Irish Stock Exchange. The investment may be spread across a number of Irish REITs.

- **Target Group**: Non-EEA nationals who want to invest in enterprise in Ireland, who have a net worth of a minimum of €2,000,000 and who wish to make a minimum investment in Ireland in one of the specified investment programmes listed above of €500,000. This investor is not required to establish residence in Ireland and the programme does not set a minimum residence requirement, other than that the investor(s) should visit Ireland at least once every 12 months; for this purpose, the investor is given a multiple entry visa to Ireland.

- **Success of the programme**: A total of 450 applications have been made by investors since this programme began in 2012. The minimum threshold was lowered from investment of €1million to €500,000 in the second half of 2016 and this saw a spike in applications, numbering 273 of the total 450 applications being received between July and November 2016. Despite the high number of applications in this period, only 23 applications were approved for all of 2016. In total, since the scheme began in 2012, 130 successful applicants have invested €65m into the Irish economy, which surpasses the Government's estimation that the scheme would be worth "€40 million" to the Irish economy.

### 3. Migrant Entrepreneurship Training Skills

- **Objectives**: This Migrant Entrepreneurship Training Skills Programme aims to give individuals from migrant communities the opportunity to acquire the necessary skills and expertise needed to establish and run their own micro-enterprise in Ireland. This programme achieves this aim by delivering practical training on the following topics:

- Exploring client's business idea
- Writing a strategic business plan
- Setting up a start-up-business
- Understanding the legal, financial and tax requirement in Ireland
- Developing a social entrepreneurship project
- Development & management of incubation units
- Identifying sources of micro finance
- Applying for finance
- Creating a platform for clients to network with other business leaders

- **Target Group:** This training programme is offered through the New Communities Partnership (NCP) and is aimed at immigrants to Ireland who wish to set up their own business.

- **Success of the programme:** This training programme provides practical information and advice to budding migrant entrepreneurs in Ireland who want to explore the idea of setting up their own business. The training is delivered in a hands-on, learner-centred approach so that migrant entrepreneurs get maximum benefit from their participation on the programme. One of the biggest successes of this training programme is that as well as providing migrant entrepreneurs with relevant training, delivered in a learner-centred format, the programme also matches migrant entrepreneurs with mentors from migrant communities who have gone through this process and who have set up a business in Ireland. These established entrepreneurs are best placed to advise new entrepreneurs from migrant backgrounds as they are successfully running their business, they have overcome the same challenges and obstacles which will face new migrant entrepreneurs and they are willing to share their experiences and expertise with their peers.

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