

**“INNOVATIVE APPROACHES FOR OPENING UP  
ENTREPRENEURSHIP TO ALL”  
EUROPEAN WEEK OF REGIONS AND CITIES - BRUSSELS 11 OCTOBER**

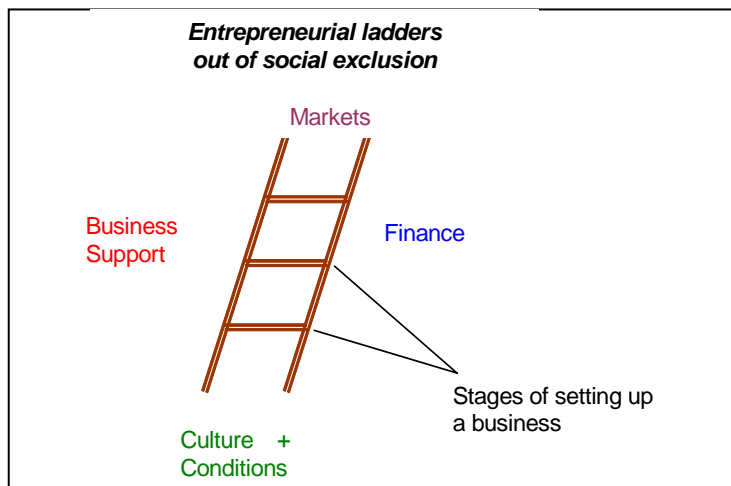
22 million new jobs have to be created by 2010 to meet the Lisbon targets. As most new jobs are created by small and medium sized companies it is not surprising that “unlocking business potential, particularly of SME’s” is one of the four main priorities of the revised Lisbon Agenda. *But how can we ensure that these jobs actually provide a future for disadvantaged groups living in the most deprived parts of our cities and rural areas?* This was the vital question addressed at a workshop, organised during the European Week of Regions and Cities/Open Days, which looked at the some of the lessons from nearly 300 EQUAL partnerships that have been working on “innovative approaches to opening up entrepreneurship to all” over the last five years.

The workshop, where 50 people participated, was chaired by Louis Geelhoed, the Head of the ESF/EQUAL Mission in the Netherlands who pointed to the pivotal role that entrepreneurship had played in the development of the Netherlands and how important it was to ensure that all sections of society had access to growth and jobs. This had had led his country to support a recent Conference in Amsterdam which took stock of the main lessons from EQUAL’s work on the ground in 12 Member States.

### **STARTING ON THE GROUND**

Bettina Reuter from the Federal Ministry of Labour and Social Affairs explained how, as far back as 2002, a “European Thematic Group” had started pulling together the lessons from the EQUAL partnerships under the leadership of the Germany and Flanders. The work began by looking at the barriers to entrepreneurship faced by specific groups like women, ethnic minorities, young people and people with disabilities. However, it soon became apparent that while each target group faced a series of highly specific barriers to setting up in business they also shared an even higher number of common problems in most Member States.

According to Bettina Reuter, this led to the conclusion that it was possible to focus on a “European trunk” of common of issues which have a major impact on access to entrepreneurship - without ignoring the differences that exist between countries and social groups. These common areas include: creating the culture and conditions for entrepreneurship; building integrated support itineraries for all, access to appropriate finance, and measure for increasing the sustainability of start-ups. They have been described as the four corners of “an entrepreneurial ladder out of social exclusion”.



Bettina Reuter argued that most countries are far weaker both upstream in the pre-start phase of “*creating the culture and conditions for entrepreneurship*” and “downstream” in the phases of *consolidating and ensuring the long term sustainability of start-ups*.

## TAKING ON A EUROPEAN DIMENSION

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Paul Soto, the thematic expert who has been supporting EQUAL's European work over the last five years, said that the EQUAL partnerships dealing with entrepreneurship had pin-pointed a potential gap in current employment policies. Entrepreneurship has been taken out of the EU Employment Guidelines which now focus more on improving labour supply through activation, life-long learning and flexicurity. Although entrepreneurship has a prominent place within the "Microeconomic Guidelines" in the Integrated Guidelines for Growth and Jobs there is a danger that policies will focus very heavily on high technology clusters and very little on creating an environment where disadvantaged groups and areas have a chance of creating an activity which allows them to earn a living with dignity.

He pointed out that entrepreneurship was a priority under all the objectives of the Regional Fund and that the Social Fund had already spent an estimated 8 billion euros on entrepreneurship related measures from 2000-6. However, there was need for coordinated and *inclusive* entrepreneurship strategies which combine the two funds and ensure that disadvantaged groups and areas are not left out. Given the serious conflict which threatens many European cities - these strategies should be seen as a matter of urgency. He went on to provide examples of how the findings of the EQUAL partnerships could be used to support inclusive entrepreneurship in all four areas of the "entrepreneurial ladders out of social exclusion".

## REGIONS AS KEY PARTNERS

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Iain Willox, Director of Enterprise Support at the Welsh Development Agency, showed how the good practice examples of EQUAL could be translated into an inclusive entrepreneurship strategy at regional level. The Welsh Entrepreneurship Action Plan starts on the ground floor of the ladder in the schools and communities where "mindsets" are formed. A team of 256 business owners provide role models and have organised more than seven thousand presentations in schools. Educational core competences are now part of the Welsh school curriculum. Out in the community activities have included a major publicity campaign involving posters and press advertisements (1.5 million audience), radio (2m audience) and TV commercials (1m audience)



*"Integrated and inclusive entrepreneurship strategies like those of Wales pay off for the whole economy. Business start-ups have doubled in Wales over the last five years."*

Of course, all this all this, on its own is not enough to ensure that people are able to overcome all the barriers in the transition from unemployment, benefits or the informal economy into setting up a business. So the Welsh Development Agency has used a series of specialist "outreach" organisations which are close to specific target groups like women, ethnic minorities, young people, older workers, and people with disabilities to provide first stage support and help them on the first rung of the entrepreneurial ladder. As a result over 3,700 jobs have been created. EQUAL's role in all this has been to carry out what is probably the largest programme of action research in Europe to identify the real needs, obstacles and aspirations of under-represented groups when setting up a business.

Iain Willox finished with several key messages about the need to tackle entrepreneurial attitudes at their root - in the educational system - and about the need for transferring the lessons of pilot projects like EQUAL into mainstream entrepreneurship strategies. This requires more work on procedures like monitoring and the training of business advisors. The priority for the future should be increasing the sustainability and job creation in existing SME's.

## **BREAKING OUT – TO MAKE A DIFFERENCE TO PEOPLES LIVES**

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Louis Vervloet of the ESF Agentschap, Flanders described how the EQUAL partnerships and networks of eight Member States were working on a remarkably similar set of priorities for opening up business creation to a wider public. The issue now was not so much about inventing new solutions but applying what has already been learnt more widely. This is why several Member States wanted to set up a “community of practice” to develop a tool for assisting countries and regions to identify the friendliness of their entrepreneurship policies to disadvantaged groups – and to locate the practices that could help them improve.

Louis Vervloet insisted that business creation within disadvantaged communities should not be set apart from initiatives to create both jobs and services through the social economy. The EQUAL partnerships dealing with the social economy were working on a very similar agenda dealing with issues like local economic development, public procurement and business support structures. The lessons of both strands of this work by EQUAL will be brought together during a policy forum in Hanover during the German Presidency next year.

In the debate that followed these interventions, several questions stand out and led to some discussion. Haroun Saad, from Quartiers en Crise, asked whether there was not too much talking to the converted within closed circles. He argued that time was ticking by and that most decisions on the future programmes had already been taken. Given that EQUAL will not continue in the next round he asked what could be done to ensure that the lessons of the past were not lost. Rachel Lancry, of the European Commission, turned the question round to ask both the panel and the participants how their future programmes (and their subsequent application) might take into account the ideas raised in the workshop.