



# Interim Evaluation of the COSME Programme

Annex C to the Draft Final report: the Entrepreneurship  
thematic area

technopolis<sub>|group|</sub>

Written by Technopolis Group  
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## **Interim Evaluation of the COSME Programme**

### **Annex C to the Draft Final report: the Entrepreneurship thematic area**

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Date: November 2017



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## List of abbreviations

Abbreviation	Description
CIP	Competitiveness and Innovation Programme
COSME	Programme for the Competitiveness of Enterprises and Small and Medium-Sized Enterprises
EaSI	Programme for Employment and Social Innovation
EASME	Executive Agency for Small and Medium-Sized Enterprises
EAV	European Added Value
EIP	Entrepreneurship and Innovation Programme
EP	European Partnership
EYE	Erasmus for Young Entrepreneurs
HE	Host Entrepreneur
HEIs	Higher Education Institutions
IO	Intermediary Organisation
KPI	Key Performance Indicator
MR	Monitoring Report
NE	New Entrepreneur
SMART	Specific Measurable Achievable Relevant and Time-bound (indicators)
WP	Work Programme

## 1 INTRODUCTION

This annex to the Final report of the Interim Evaluation of the COSME programme provides more detailed information concerning the **entrepreneurship thematic area of COSME**. It is intended to complement, rather than substitute the main report.

Entrepreneurship represents a relatively small part of the COSME programme (some ~4% of the overall programme budget). Its **overarching objectives** are to: (i) improve framework conditions affecting the development of entrepreneurship; (ii) facilitate learning and exchanges of experience for entrepreneurs; and (iii) promote entrepreneurship and entrepreneurial culture to specific groups.

During the 2014-2016 period, the COSME work programmes set out 16 planned actions relating to entrepreneurship. Of these planned actions, 13 were eventually implemented.<sup>1</sup> This **portfolio of Entrepreneurship actions** (see Table 1 below) includes a range of information and awareness-raising measures, several portals and support services, the development of analytical tools and frameworks for monitoring and evidence collection, networks to share knowledge and best practices, strategic intelligence platforms and measures to develop entrepreneurial human capital.

Table 1 Overview of the COSME Entrepreneurship actions

Theme	Actions addressing the theme	Overview
Erasmus for Young Entrepreneurs	Erasmus for Young Entrepreneurs programme (3 actions)	EU mobility programme for entrepreneurs
Digital entrepreneurship	Monitoring and awareness raising activities Monitoring / scoreboard mechanism	Events, workshops and training events, including opportunities to share good practice – plus the offer of mentorship and business support Generating evidence and information on global trends relating to digital entrepreneurship
Women's entrepreneurship	Creation of online support / information platform Platform maintenance/development	Establishment and maintenance of an online platform for networking and information dissemination, including guidance and signposting
Migrant entrepreneurship	Networks to support implementation of best practices in outreach / support	Workshops, events and networks to share experiences and undertake peer learning in relation to measures to support migrant entrepreneurs
Senior entrepreneurship	Workshops ('labs') to share approaches and best practices	Networking and experience exchanging for senior and junior entrepreneurs, resulting in the development of a good practice compendium
Entrepreneurship education	Network / tool for developing and sharing learning strategies / initiatives	A network and a supporting on-line tool for sharing information and knowledge, dissemination and associated peer learning activities
Early warning / second starters	Pan-EU network of early warning, prevention and support to companies in difficulty & entrepreneurs attempting 2 <sup>nd</sup> start	The provision of training and advice, dissemination of examples of support policy measures, and information sharing to foster indicator development and a more effective support system
Other	Support for entrepreneurship policy implementation – organisation of 3 conferences Promotion of social economy and entrepreneurship in Europe	Conferences and events (focused on liberal professions, second chances and transfers of business) organised with a representative organisations and participants Study on national policies to promote social economy entrepreneurship

Source: Technopolis, based on COSME Work Programmes 2014-16

Two-thirds of the COSME Entrepreneurship budget is allocated to one particular scheme – the **Erasmus for Young Entrepreneurs (EYE) programme**. Within the analysis,

<sup>1</sup> Three other actions (two Flash Eurobarometer surveys and one action for the follow-up and monitoring of the Entrepreneurship 2020 Action Plan) were never implemented due to budget reallocations and a shift in working priorities.

particular attention is paid to this programme, as the key entrepreneurship action during the period in scope.

Through the EYE programme, COSME seeks to help **'New Entrepreneurs'**<sup>2</sup> (NE) acquire and build entrepreneurial skills and knowledge and to further develop their business activity by learning from experienced **'Host Entrepreneurs'**<sup>3</sup> (HE). Specifically, the NE spend time (1-6 months) with an HE in another country, working on concrete business projects. This relationship is initiated and facilitated by Intermediary Organisations (IO) in each country (i.e. a 'Host' IO and a 'New' IO). These IOs are organised into European Partnerships (EPs), which bring together consortia of IOs from different countries.

Since 2014, the management of EYE has been delegated to EASME. The IOs are selected following a call for proposals managed by the Agency. EASME has also concluded a service contract with Eurochambres to provide an EYE Support Office. This office assists EASME and the European Commission in the day-to-day management of the EYE programme, coordinating the activities of EPs / IOs, monitoring performance, and contributing to promotion and communication. The Support Office also fulfils the role of helpdesk for the selected IOs regarding all practical programme aspects.

EYE is a rolling programme, with two or three new placements starting every day (on average). Over 14,000 entrepreneurs (5,600 HE and 8,700 NE) have registered with the scheme since 2009, and over the ensuing eight years ~4,000 placements have been completed, with another ~300 ongoing or about to start (as of February 2016). The rate of activity has increased over time, such that in the three-year period in scope for this evaluation (2014-16), over 2,200 placements began. This is approximately 14 per week - double the rate seen on average across the preceding five-year period.

The consultation with EYE participants, conducted as part of this study, focuses on the 2014-16 period. Specifically, we surveyed the 2,117 new entrepreneurs and 1,620 host entrepreneurs<sup>4</sup> involved in placements that had begun during this period and that had already concluded (as of February 2017). Where we gross-up from survey responses to the full population of participating new or host entrepreneurs in 2014-16, these totals (2,117 and 1,620 respectively) are used.

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<sup>2</sup> Participating 'new entrepreneurs' can be any age, but must have had less than 3 years of entrepreneurial experience. They must also have a concrete project or business idea, reflected in a business plan.

<sup>3</sup> Participating 'host entrepreneurs' must have run a company as an entrepreneur (not an employee) for more than 3 years, and either be the owner-manager of an SME or a person directly involved in entrepreneurship at SME board level.

<sup>4</sup> There are fewer HEs than NEs because some have hosted more than one individual during the period (though not at the same time), while NEs may only participate in the scheme once.

## 2 CONTEXT

This section sets out the context to the COSME Entrepreneurship actions by examining related actions in the preceding funding period, as well as current actions addressing similar aims and objectives.

### 2.1 Actions fostering entrepreneurship in the preceding funding period

The CIP Entrepreneurship and Innovation Programme (EIP) supported a number of activities aimed at fostering entrepreneurship, including the Erasmus for Young Entrepreneurs (EYE) scheme that is now the main entrepreneurship action funded through the COSME programme. These various past actions are introduced below, starting with EYE, and with a particular focus on lessons learnt from these.

#### *The Erasmus for Young Entrepreneurs Programme*

The EYE programme was first launched as a **pilot** action in 2008, and then as a **preparatory action** between 2009 and 2011 (in largely the same form as the current programme). The interim evaluation of these preliminary activities<sup>5</sup> confirmed the added value of EYE and the lack of similar schemes at national level. It confirmed the efficiency of the operational set up in fulfilling the pursued objectives and the quality of the exchanges carried out. It also concluded that the cross-border nature of the action made it unique as a way of promoting entrepreneurship, as well as directly relevant to key EU objectives of internationalisation and helping businesses to take advantage of the Internal Market.

The interim evaluation did identify some issues with the programme in its preliminary phases. For example, some of the Intermediary Organisations (IO) had not performed well and there were problems with the IT tool and the matching of hosts and new entrepreneurs, while some rules, branding and other factors were also regarded as overly restrictive. However, these were seen as “teething” problems within a new programme, rather than fundamental design faults. In addition, it was concluded that the timing of the launch of the programme (coinciding with the global economic / financial crisis) had probably depressed interest in the scheme, contributing to a level of activity that fell short of initial expectations (e.g. 337 completed stays as of February 2011, compared with the 800 anticipated). The evaluation also concluded that these were overly ambitious targets anyway. The study made a number of recommendations, which are summarised in the figure below.

*Figure 1 Recommendations of the interim evaluation of EYE preliminary activities*

1. To continue support for EYE, at least to allow sufficient time to tackle teething problems, to allow the action to achieve momentum, and for positive outcomes to be demonstrated
2. To address situations where full use is not being made of available opportunities (i.e. ‘dormant applications’) through e.g. more efficient matching, more proactive IO efforts to help develop relationships, and by ensuring sufficient numbers of Host Entrepreneurs to meet demand
3. To improve EU27 coverage of the IO network, while also helping to strengthen the existing network and ensure more even performance across different IOs and Member States
4. To rename the action ‘Erasmus for New Entrepreneurs’ or ‘Erasmus for Entrepreneurs’
5. To extend the target group to include employees in start-ups and micro-businesses that have been trading for less than three years and that meet certain criteria
6. To encourage New Entrepreneurs to make their own enquiries to identify a suitable host (in addition to using the EYE IT tool)

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<sup>5</sup> Interim evaluation of the Erasmus for Young Entrepreneurs Pilot project / Preparatory action (CSES, 2011)

7. To offer alternatives to a continuous stay (e.g. collaborating virtually, but with monthly visits)
8. To introduce a structured 'after-care programme' whereby IOs would arrange post-stay support
9. To improve networking between past participants and further enhance their subsequent collaboration (e.g. through an alumni association)
10. To place greater emphasis on IOs developing local networks (banks, advice/support providers, universities and public authorities), which can be mobilised to enhance support
11. To encourage this wider local network of partners to contribute (financially or otherwise) to developing the EYE offer
12. To set up an EYE programme committee with representatives from the EC, IOs, EPs, etc.
13. To better track longer-term outcomes and benefits realised by participants

Source: Technopolis summary of recommendations presented in the Interim Evaluation of the Erasmus for Young Entrepreneurs Pilot Project / Preparatory Action (CSES, 2011).

As a follow-up to the preparatory action - and as part of EU commitments in the Small Business Act - the EYE programme was scaled up under Objective E ('promote an entrepreneurship and innovation culture') of the **Entrepreneurship and Innovation Programme** (EIP) in 2012-2013.

The interim and final evaluations of the EIP (and the wider CIP) were undertaken before the EYE programme was included. As such, they do not refer to EYE. However, a separate statistical analysis of EYE was undertaken in 2013<sup>6</sup> at the end of the EIP period, covering the first five years of the EYE programme. It aimed at examining the success of the programme in terms of reaching its goals, and was based mainly on a survey of participants (hosts and new entrepreneurs), plus available monitoring data. While the analysis provided recommendations for the design of future monitoring methodologies (to better measure EYE results and to better communicate these), it was not an evaluation as such, so did not offer recommendations for the programme more generally.

#### *Other Entrepreneurship Actions under CIP*

The EIP implementation reports (2007-2012) show that a large number of other actions (beyond just the Erasmus for Young Entrepreneurs scheme) were funded under Objective E (promoting an entrepreneurship and innovation culture) of the programme. Some of these have an evident legacy in the entrepreneurship actions that have since been funded through the COSME programme. For instance, CIP EIP included initiatives aimed at:

- Fostering / promoting entrepreneurship among target groups
- Improving and sharing good practices in entrepreneurship education
- Promoting and supporting female entrepreneurship
- Promoting entrepreneurial culture
- Monitoring entrepreneurship (Flash Eurobarometer)
- Sharing best practices in the transfer of business

The actions that were part of the promoting entrepreneurship objective represented just 2.4% of the overall budget allocated to EIP in the 2007-2011 period and mainly constituted small-scale measures.<sup>7</sup> As a result, the interim and final evaluations of the EIP did not focus on this objective, and neither study drew conclusions or recommendations relating specifically to this area of the programme.

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<sup>6</sup> Statistical Analysis of the Erasmus for Young Entrepreneurs (EYE) Programme (Technopolis, 2014)

<sup>7</sup> Final evaluation of EIP.

However, the final evaluation of the CIP programme overall recognised that focusing on instruments with the greatest financial backing risked leaving a gap in the understanding of the Programme as a whole. It therefore dedicated a case study to looking at the contribution of the many smaller scale actions that had been funded (including some 100 such activities funded through the EIP, most of which fell under Objectives E and F). This case study highlighted that – despite their limited size - the small-scale activities often had been the main actions taken in pursuit of some of the central elements in Enterprise policy, and frequently achieved rather impressive results despite their quite modest expenditure.

While the case study noted concerns that had been raised about the large number of small activities (e.g. that this led to dissipation of effort and unnecessary administrative inputs, as well as difficulties in keeping track of activities and communicating results), the evaluation found signs of growing coordination among small-scale measures, as well as contributions from these actions to the overall coordination and impact of CIP. Importantly, small-scale measures were also seen to provide an important degree of flexibility for CIP, allowing it to respond to issues as they emerged.

Despite this largely positive assessment, the evaluation did recommend a continued need to justify each small-scale measure separately, a need to strengthen mechanisms for the overall coordination of actions (to avoid unnecessary proliferation and achieve greater synergies), and a need to improve the monitoring and communication of the aims and achievements of small-scale measures.

## 2.2 Other EU initiatives with similar objectives

The Commission's vision and many of its key initiatives to promote and support entrepreneurship are set out in its Entrepreneurship 2020 Action Plan. This includes various **EU measures** to develop entrepreneurial education and training, create the right business environment and reach out to specific groups of (potential) entrepreneurs (women, migrants, seniors, etc.). Many of these are funded through COSME, but there are other relevant actions being undertaken outside of this programme. For example, other EU initiatives with similar objectives include the following:

- **Entrepreneurship education** - This is a topic primarily addressed by initiatives of DG Education and Culture, with the largest funding available from the **Erasmus+ programme**. This programme has a strong focus on innovation and entrepreneurship, particularly in the Key Action 2 (cooperation for innovation and exchange of good practices) through strategic partnerships and transnational youth initiatives that aim in part to foster entrepreneurship among young people.
- **Senior entrepreneurship** - There have been a series of projects funded from different sources, such as the European Regional Development Funds (**Interreg IVC**) fostering senior entrepreneurship in different countries. The year of 2012 was also dedicated to the European Year of Active Ageing and Solidarity between Generations, giving a new boost to initiatives addressing the topic. More recently a 'Policy Brief on Senior Entrepreneurship' coordinated by the Commission and the OECD outlined relevant recommendations for policy makers.
- **Migrant entrepreneurship** –The Microfinance and Social Entrepreneurship axis of the EU Programme for Employment and Social Innovation (**EaSI**) provides microcredit and microloans to vulnerable groups and microenterprises wishing to set up their own business.<sup>8</sup> In addition, the European Parliament also provides dedicated funding to advance pilot activities<sup>9</sup>, focusing on fostering the entrepreneurship of

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<sup>8</sup> <http://ec.europa.eu/social/main.jsp?catId=1084&langId=en>

<sup>9</sup> [http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item\\_id=8916&lang=en&title=Entrepreneurial-capacity-building-for-young-migrants](http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8916&lang=en&title=Entrepreneurial-capacity-building-for-young-migrants)

young migrants through **capacity-building projects**. The funding scheme was developed and is managed by DG GROW, building on a preliminary study on 'Good practices in promoting and supporting migrant entrepreneurship'.

- **Women's entrepreneurship** – The Commission supports a community of business support organisations promoting female entrepreneurship in the digital sector (**WeHubs**) and runs the EU **prize for Women Innovators**, which is awarded to those who have succeeded in bringing innovation to market.
- **Digital entrepreneurship** - A Strategic **Policy Forum on Digital Entrepreneurship** was set up by the Commission in 2014 as a think tank composed of business leaders, academia, international organisations and policy makers. Its objective was to shape a vision for the digital transformation of European industry. Its recommendations (2016) included the promotion and support of entrepreneurship as an opportunity for acquiring digital skills and career conversion.

Across Europe, at the **national level**, there are also many different types of interventions designed to promote entrepreneurship and early stage start-ups. These include financial assistance in diverse forms including tax incentives; mentoring and advisory services to help with business planning, marketing and sales, management and other issues; specialised support for innovation and product development; and the provision of starter units and incubators, just to name a few. It is beyond the scope of this evaluation to map out all forms of entrepreneurship support at the national level, but some specific examples that relate closely to COSME are mentioned below:

- National programmes that seek to foster **senior entrepreneurship**, such as the Senior Enterprise scheme coordinated in Saint-Brieuc, or the Senior University Odivelas that was founded to promote intellectual activities and research among the surrounding senior population<sup>10</sup>
- In line with the increasingly appearing national entrepreneurship education strategies, a vast range of **entrepreneurship education** programmes available at the national level targeting students at all ages to develop their soft skills and entrepreneurial mindsets as well as supporting teachers through training and new curricula development
- Several initiatives that seek to address **early warning** or support **second starters**, including Danish Early Warning Scheme, Support services of BECI in Brussels, Tussenstap in Flanders, FADE in Asturias/Spain and Anonyme Insolvenzler in Germany

In relation to the **EYE programme** specifically, there are numerous services across Member States that provide one-to-one mentoring and guidance, professional advice, placements in host organisations or business-to-business networking opportunities, however these schemes usually focus on just one of these activities, and often only within a single country.

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<sup>10</sup> <http://www.usenior-odivelas.com/>



### 3 RELEVANCE

This section examines the relevance of COSME Entrepreneurship actions to identified needs of citizens and stakeholders, as well as to relevant policy priorities and objectives.

#### 3.1 Relevance to the stakeholders and the EU citizen

##### 3.1.1 Responsiveness to the needs of stakeholders

###### *Implementation of the programme*

In early 2003, the Commission published a Green Paper on Entrepreneurship in Europe<sup>11</sup>, which set out why entrepreneurship is important for Europe (it contributes to job creation and growth, is crucial to competitiveness, and unlocks personal potential), before discussing the main gaps and challenges that Europe faces in realising these goals. These included a preference amongst citizens for employment over self-employment, the relatively low proportion of citizens taking steps towards starting a business, the relatively high proportion of those considering starting a business who give up early, and the relatively slow employment growth amongst new start-ups.

The Paper also considered what it might take to produce more entrepreneurs and a more entrepreneurial society. It concluded with a call for a more coordinated approach to entrepreneurial policy and increased learning (i.e. from good practice) between Member States, with the European Commission assuming a coordinator role at the EU level. It also called for specific actions and measures that would help to:

- Create a society that recognises and values entrepreneurship
- Raise awareness of entrepreneurship options and make entrepreneurship accessible to all
- Foster entrepreneurial capacity and skills amongst individuals
- Reduce barriers to starting a business and better balance the risks and rewards

In June 2008, the Communication "Think Small First – A 'Small Business Act for Europe'"<sup>12</sup> included the promotion of entrepreneurship as a main priority, highlighting the Commission's view that "achieving the best possible framework conditions for SMEs depends first and foremost on society's recognition of entrepreneurs" and that "entrepreneurship and the associated willingness to take risks should be applauded... and supported by administrations." More generally, the "climate in society should lead individuals to consider the option of starting their own business as attractive."

In terms of concrete actions, it called on the EU and the Member States to better foster entrepreneurial interest and talent amongst different groups (including the young, women and immigrants) by making people more aware of self-employment as an attractive career option, and by providing them with the necessary education and skills to turn their ambitions into successful ventures. It also called for greater cooperation and networking between entrepreneurs, as well as efforts to ensure that honest entrepreneurs get a second chance after bankruptcy.

In relation to the taxonomy of **market and systemic failures** (see main report to this evaluation), the Green Paper and Small Business Act therefore highlighted a need for policy instruments that aim to improve the flow of information (overcoming network failures) and create better informed citizens and stakeholders (overcoming information asymmetries), as well as increase entrepreneurial education, skills, knowledge and capabilities (addressing infrastructural and capability failures).

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<sup>11</sup> Green Paper – Entrepreneurship in Europe. COM(2003) 27 final

<sup>12</sup> COM(2008) 394 final

In line with the needs and priority areas for action identified, the COSME programme set out to: (i) improve framework conditions affecting the development of entrepreneurship; (ii) facilitate learning and exchanges of experience for entrepreneurs; and (iii) promote entrepreneurship and entrepreneurial culture to specific groups. During the 2014-2016 period, the work programmes set out 16 planned actions relating to entrepreneurship (under specific objective 4 of the programme). Out of these planned actions, 13 were eventually implemented<sup>13</sup> (see Figure 2 below).

As indicated in the figure, the actions include a wide range of measures and activities in the areas of information provision, knowledge development/sharing and networking, with some actions involving more than one type of policy instrument. The portfolio includes a variety of information and awareness-raising measures, several portals and support services, the development of analytical tools and frameworks for monitoring and evidence collection, networks to share knowledge and best practices, strategic intelligence platforms and measures to develop entrepreneurial human capital.

Figure 2 Overview of policy instruments used by the COSME programme to address entrepreneurship needs

Entrepreneurship support themes	Policy instrument:	Information		Knowledge & networking			
	Implementation methods	Information & awareness schemes	Portals & helpdesks	Analytical tools & frameworks	Human capital measures	Knowledge networks & schemes	Strategic intelligence platforms & tools
EYE (3 actions)	<ul style="list-style-type: none"> <li>EU mobility programme for new entrepreneurs</li> </ul>				X		
Digital entrepreneurship (2 actions)	<ul style="list-style-type: none"> <li>Events, workshops and training events, including opportunities to share good practice – plus the offer of mentorship and business support</li> <li>Generating evidence and information on global trends relating to digital entrepreneurship</li> </ul>	X		X	X		X
Women's entrepreneurship (2 actions)	<ul style="list-style-type: none"> <li>Establishment and maintenance of an online platform for networking and information dissemination, including guidance and signposting</li> </ul>	X	X			X	
Migrant entrepreneurship	<ul style="list-style-type: none"> <li>Workshops, events and networks to share experiences and undertake peer learning in relation to measures to support migrant entrepreneurs</li> </ul>	X				X	
Senior entrepreneurship	<ul style="list-style-type: none"> <li>Networking and experience exchanges for senior and junior entrepreneurs, resulting in the development of a good practice compendium</li> </ul>	X				X	
Entrepreneurship education	<ul style="list-style-type: none"> <li>Online platform for networking, information dissemination and associated peer learning activities</li> </ul>	X	X			X	X

<sup>13</sup> Three other actions were never implemented due to budget reallocations and a shift in working priorities towards new emerging themes and needs. These included two Flash Eurobarometer surveys on entrepreneurship, and one action addressing the follow-up and monitoring of the Entrepreneurship 2020 Action Plan.

Early warning/second starters	<ul style="list-style-type: none"> <li>The provision of training and advice, dissemination of examples of support policy measures, and information sharing to foster indicator development and a more effective support system</li> </ul>	X		X		X	
Other (2 actions)	<ul style="list-style-type: none"> <li>Conferences and events (focused on liberal professions, second chances and transfers of business) organised with a limited number of representative organisations and participants</li> <li>Study on national policies to promote social economy entrepreneurship</li> </ul>	X			X		X

Source: Technopolis

As part of the evaluation, we surveyed large numbers of Host and New Entrepreneurs who had participated in the EYE programme during the 2014-2016 period. These (potential-/) entrepreneurs were asked to assess the extent to which a series of barriers to entrepreneurship and entrepreneurial culture were present in their country today. Their responses – summarised in Table 2 below – provide widespread confirmation of the existence of market and systemic failures in this area. In particular, the vast majority (92%+) agreed that entrepreneurs face obstacles to setting up businesses, that new businesses struggle to survive and grow, and that there is a lack of effective policy support in relation to entrepreneurship. There was also a widespread (though less strongly held) belief that there is a lack of entrepreneurial culture, weak entrepreneurial spirit and low levels of entrepreneurial firm creation in Member States.

*Table 2 To what extent do you think the following statements are true in relation to your country today?*

	To a great extent	To some extent	Not at all	n
New businesses struggle to survive and grow	55%	40%	4%	910
Entrepreneurs face obstacles to setting up businesses	48%	45%	7%	915
There is a lack of effective policy support in relation to entrepreneurship	46%	47%	8%	905
There is a lack of entrepreneurial culture and weak entrepreneurial spirit	27%	50%	22%	913
There are low levels of entrepreneurial firm creation	23%	57%	20%	909

Source: EYE New and Host Entrepreneur Surveys. Excludes non-respondents to this question

These entrepreneurs were also asked to assess the extent to which COSME – through its biggest entrepreneurship action, the EYE programme – helped to address each of these issues. The responses (summarised in Table 3) make clear that the great majority of participants believe EYE to be addressing all of these areas to some degree, and particularly the lack of entrepreneurial culture and spirit. The areas with least agreement (EYE addressing a lack of effective policy support and EYE helping new businesses to survive and grow) are also those with least relevance to the intentions of the programme itself (which is more focused on providing a learning opportunity for new and aspiring entrepreneurs).

*Table 3 To what extent do you think the EYE programme contributes to addressing the following issues?*

	To a great extent	To some extent	Not at all	n
A lack of entrepreneurial culture and weak entrepreneurial spirit	43%	50%	7%	708
Low levels of entrepreneurial firm creation	27%	62%	11%	701
The existence of obstacles to entrepreneurs setting up businesses	29%	57%	15%	709
New businesses struggling to survive and grow	25%	59%	16%	702
The lack of effective policy support in relation to entrepreneurship	24%	58%	18%	702

Source: EYE New and Host Entrepreneur Surveys. Excludes non-respondents to this question

In the absence of detailed consultation with the beneficiaries and target audiences of the other smaller entrepreneurship actions, the relevance of EYE to the needs of the respective target groups is deemed by the study team to be high, with no major gaps identified.

#### *The programme design as a facilitator of relevance*

Despite the relatively small budget of the entrepreneurship element of the COSME programme, it has funded 13 actions over a three-year period, covering a range of different measures, in an effort to address several broad objectives and a variety of intended target groups. It therefore represents a considerable and varied portfolio of activities. Despite this, there is no formal structure or process for the design of the entrepreneurship portfolio as a whole. Actions originate from different places and are then managed across multiple policy officers and units, with only informal and unstructured interaction across them.

The COSME Work Programmes 2014-2016 provide only limited insight into the rationale (issues, problems and needs) that underlies the choice of specific entrepreneurship actions planned. The justification often relates to a lack of similar activity existing, but does not go further in explicitly explaining why such an activity is necessary at all (i.e. what the evidence is of needs). To quote a few examples from the work programmes:

- “The area of seniors as mentors and that of seniors embarking on a ‘second career’ as an entrepreneur are both dealt with relatively little at European level to date.” (senior entrepreneur best practice exchanges)
- “Monitoring in a systematic way the developments and evolutions in the digital entrepreneurship landscape is crucial and there are no reliable and up-to-date data so far. Therefore, there is a need to monitor relevant technological and business activities in Europe and also in the major international trade partners.” (digital entrepreneurship monitoring)
- “A more systematic structure for the exchange of information and experience needs to be created, as well as a framework for monitoring progress according to widely agreed indicators.” (pan-European entrepreneurial learning initiative)
- “The area of migrants as entrepreneurs and how to effectively support them are addressed by relatively few initiatives in Europe at present.” (Migrant entrepreneurship support schemes)

There is one example where more information is provided in order to explain the inclusion of an action within the work programme, with detail on the background needs and rationale for COSME funding. This example (quoted in the figure below) relates to the European network for early warning and for support to enterprises and second starters. In this case, the work programme highlights available statistics and survey data, current Member State policies and procedures and international comparators to justify the need for the action. It also sets out the potential cost savings and wider benefits (jobs and growth) that might be realised as a result.

Figure 3 Example of 'explanation of need' for a COSME entrepreneurship action

"Evidence shows that the majority of bankruptcies (96%) are due to objective problems such as late payments by clients. They are thus 'honest failures'... [However,] many Member States apply the same procedures for bankruptcies of dishonest and honest entrepreneurs which are often long and / or result in legal consequences that are legally or practically prohibitive for the failed entrepreneur starting a new enterprise. The 2012 Eurobarometer survey... showed that fear of failure is one of the most important factors affecting the creation of new enterprises... [while] in the United States the tolerance for business failure is much higher and one of the crucial reasons for higher levels of entrepreneurial activity.... In the EU, former bankrupts are legally and socially stigmatised and find it much more difficult to finance and start a new enterprise, which can save or create jobs and growth. Early warning, prevention and crisis support are crucial since they can avert a bankruptcy process or can mitigate the effects of a crisis. As such, they have an important impact on entrepreneurship... Equally, expert support can help to close down non-viable enterprises quicker and in a more effective way as well as to minimise closure-related negative consequences to the entrepreneur, employees and creditors, and preserve as much as possible for a new start. Based on evidence from Member States, saving viable companies could be a cost-effective exercise. It can cost less than €1,500 to save a company from bankruptcy with significant savings for the governments in lost taxes and avoided unemployment payments."

Source: COSME work programme 2016. GRO/SME/16/D/04 – European network for early warning and for support to enterprises and second starters

However, based on a review of relevant policy documents and information on individual activities, we can retroactively provide a justification and reasoning for the individual entrepreneurship actions, showing evidence of relevant needs, as well as past activities and learning that has led to their inclusion within the COSME work programme and to the design of an action that is aligned with the identified needs and priorities.

For example, the key entrepreneurship action - the **Erasmus for Young Entrepreneurs** programme (three actions during the period) - was originally commissioned following the positive results of a Flash Eurobarometer study in 2007<sup>14</sup> showing the demand for mobility among European entrepreneurs. This survey shed light on the fact that the majority of would-be entrepreneurs (70%) and existing entrepreneurs (70%) in the EU would rather acquire (further) entrepreneurship skills in a micro- or small enterprise. The would-be entrepreneurs also highlighted their need to gain experience from enterprises in the same sector, as well as to learn from a senior or more experienced entrepreneur. A follow-up feasibility study<sup>15</sup> conducted a number of workshops across Europe and found widespread support for the proposed initiative, as well as clear desire for the scheme to focus on business-to-business relationships and entrepreneurial business development. These various features are reflected in the current scheme, which has changed little since it was first funded through COSME.

The actions relating to **digital entrepreneurship** address an identified problem of low levels of digital literacy and a weak digital entrepreneurship culture across the EU, which is preventing individuals from proceeding to turn ideas into successful businesses. In addition, the actions address the need for evidence on digital entrepreneurship to help remove barriers that prevent potential entrepreneurs and businesses from starting/digitalising their business. The actions were launched off the back of a pilot Digital Entrepreneurship Monitor programme, which started in January 2013 and continued until the end of 2014. That pilot served to produce the initial methodology for how the Monitor would operate and what indicators to use (validated by a Steering Committee). The Digital Entrepreneurship Monitor was then re-launched in May 2017 as the Digital Transformation Monitor.

<sup>14</sup> Attitudes towards the planned EU pilot project - Erasmus for Young Entrepreneurs; Report 3: Survey among young would-be and existing entrepreneurs in all EU Member States: Analytical Report" produced by the Gallup Organisation for Directorate-General for Enterprise and Industry, November 2007

<sup>15</sup> Feasibility study for the Pilot Action "Erasmus for young entrepreneurs" Part A: Scenarios and Costs. A Final Report to DG Enterprise of the European Commission (ECOTEC Research and Consulting, 2008)

The **women's entrepreneurship** actions were preceded by a series of projects – including a mentorship scheme and a feasibility study - on the topic of women entrepreneurs financed under CIP in 2011 and 2012.<sup>16</sup> The actions implemented during 2014-2016 build on the results and conclusions of these previous actions and continue focusing on the need to encourage and promote entrepreneurship among women. The main problems the actions were designed to address include the lack of confidence of potential female entrepreneurs to launch a business idea, which is further hindered by the culture of fear of failure. The objectives of the funded projects were therefore to create and then maintain and further develop an on-line platform that would provide women entrepreneurs with a mode to interact with stakeholders and to gain access to training, mentoring and finance, as well as sector specific information.

The action focusing on **migrant entrepreneurship** addresses the problem of migrants lacking a social and financial network necessary to prosper entrepreneurially. Studies found that while initiatives exist which address the question of migrant entrepreneurship, they are often small in scale and human and financial resources are often lacking.<sup>17</sup> The intentions of the action are therefore to bring together relevant players at national and regional levels into cross-border networks to study examples of good practice to help promote migrant entrepreneurship. Although attention to the integration of migrant populations in Europe has intensified recently, the topic itself has been under consideration for many years. For example, the role of entrepreneurship in connection with migration was already researched in a project funded under FP5. A 2003 project entitled, "The future of Europe's rural periphery, the role of Entrepreneurship in responding to employment problems and social marginalisation" also found that migration is a significant factor in increasing entrepreneurship in European regions.<sup>18</sup> The new COSME action also builds on the results of a series of other activities carried out on the topic, including a 'Study on Good Practises in Promoting and Supporting Migrant Entrepreneurship'<sup>19</sup> and a recent European Conference on barriers involved in migrant entrepreneurship (February 2016).

The action on **senior entrepreneurship** focused on addressing the lack of senior entrepreneurship and was designed to help overcome identified issues and barriers (including a lack of information, prejudice, low IT literacy and outdated qualifications) by producing a best practice compendium.

The action on **entrepreneurship education** represents a continuation in the theme, target group and rationale of projects funded during 2012-2013 under the CIP addressing the need to equip students with the skills necessary to become more entrepreneurial and start a business. The COSME action supports the implementation of the European Entrepreneurship Education NETwork (EE-HUB.EU) to help bring together the disparate efforts of Member States regarding entrepreneurial education.

The '**support for entrepreneurship policy implementation**' action (three conferences) was introduced in response to the results of previous conferences and to monitor the changes made since. These activities are also linked with other European activities. The results of the "Conference on Boosting the Business of Liberal Professions" are discussed in the "Action Lines for Liberal Professions" document, which also details the conclusions of the "Bolstering the Business of Liberal Professions" 2013-2014 Working Group - previously established to discuss the topic. The "Conference on Transfers of Business" represents a follow-on to a Commission expert group conducted in 2013, which was based on earlier recommendations and Communications. The

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<sup>16</sup> [http://ec.europa.eu/cip/files/cip/docs/eip\\_2011\\_implementation\\_report\\_en.pdf](http://ec.europa.eu/cip/files/cip/docs/eip_2011_implementation_report_en.pdf)

<sup>17</sup> 20160217-183433\_Background policy paper copy "EU Conference on Migrant Entrepreneurship-Background Paper-February 2016"

<sup>18</sup> [http://cordis.europa.eu/docs/publications/1001/100124141-6\\_en.pdf](http://cordis.europa.eu/docs/publications/1001/100124141-6_en.pdf)

<sup>19</sup> European Commission: Call for Proposals, Migrants Entrepreneurship Support Schemes, Europe: 2016

“Conference on Second Chances for Honest Failed Entrepreneurs” represents a follow-on to the work of a Commission expert group that has been active since 2010 and to a 2007 Communication concerning overcoming the stigma of failure.

### 3.1.2 *The societal relevance*

COSME’s entrepreneurship actions take a holistic approach to addressing the various needs and issues identified in this area. As a portfolio of activities (and often even as individual actions) they seek to achieve a combination of things:

- Increasing the outreach and promoting entrepreneurial culture
- Fostering entrepreneurial attitudes, mindsets, skills and capabilities
- Improving framework conditions and reducing obstacles to the development of entrepreneurship
- Facilitating exchanges of experience and learning for entrepreneurs and relevant stakeholders

The actions funded intend to enhance entrepreneurial culture and spirit across the EU and amongst its citizens in order to encourage and enable greater levels of entrepreneurship and business start-up. They are often aimed at various identified groups (such as young, female, migrant or senior entrepreneurs). These ambitions align closely with the EU2020 priority of **inclusive growth** by improving relevant skills and increasing employment, including (in some cases) particular targeting of women, young people and older workers (amongst others). The case study of women’s entrepreneurship actions (see Appendix A) sets out the details of one such specific example.

In addition, the actions ultimately aim to increase levels of entrepreneurial firm creation, performance and survival, thereby contributing in the longer term to the **growth and competitiveness** of the EU’s SMEs and the economy more generally.

## 3.2 Policy relevance

Having assessed the intentions and activities of the COSME entrepreneurship actions, it is evident that they are in accordance with recent high-level policy objectives and priorities relating to entrepreneurs.

For instance, the entrepreneurship actions are clearly well aligned with several of the priorities of the **Juncker Commission**. In particular, measures *across* the portfolio seek to increase knowledge and skills in the workforce (including amongst vulnerable groups), thereby contributing towards the priorities of ‘a boost for jobs, growth and investment’ and ‘a strengthened industrial base’. In addition, individual actions targeting different areas of entrepreneurship contribute toward other priority areas of the current Commission. For example:

- The COSME digital entrepreneurship actions (relating to monitoring and awareness raising) support the building of a digital economy, and therefore contribute towards certain aspects of the ‘connected Digital Single Market’ priority. The Digital Transformation Monitor more directly supports the implementation of the European Roadmap for Digital Entrepreneurship.
- The COSME women’s entrepreneurship actions relating to the development of an e-platform (see the case study of these actions in Appendix A) support the enablement of women’s participation in the labour market, and contribute to gender aspects of the ‘area of justice and fundamental rights’ priority. The action is also in line with the

message of the January 2016 European resolution<sup>20</sup> urging removal of obstacles to female entrepreneurship.

- The COSME action focusing on migrant entrepreneurs (networking/learning for support organisations) seeks to improve and increase the support available to talented and skilled potential migrant entrepreneurs within the EU. It also aims to ensure that the most is made of these capabilities, therefore contributing towards the priority of 'a new policy on migration'.

The COSME entrepreneurship actions are also well aligned with the new **Single Market Strategy** (2016), which notes that too many obstacles remain for SMEs, start-ups and young entrepreneurs seeking to grow in the Single Market, and that too few such individuals and companies set out with pan-European ambitions. The international mobility focus of the EYE programme makes this directly relevant to supporting the key policy objective of internationalisation, helping new and growing businesses to take advantage of the EU's internal market. There are also two specific issues mentioned in the Strategy that are relevant to other COSME actions:

- The strategy notes that the effects of bankruptcy create a disincentive for entrepreneurs, who need to know that they will have a second chance. It also sets out the Commission's intention to support bona fide entrepreneurs with early restructuring and second chance. Supporting this ambition are two COSME entrepreneurship actions: a conference on second chance for honest failed entrepreneurs, as well the pan-EU network for early warning and second starters.
- The strategy also notes that Europe would benefit from attracting more innovators from the rest of the world, and that support measures helping migrant entrepreneurs to operate in the Single Market could make the EU a more attractive destination for innovators, helping to boost the creation of start-ups in Europe. This ambition is supported by the recent COSME migrant entrepreneurship action, which seeks to disseminate and improve support measures.

The **start-up and scale-up initiative** (2016) highlights the social economy and social enterprises as a route to sustainable growth, but notes that such companies still lack recognition and understanding. As such, through this initiative the Commission has set out to encourage and support the scale-up of social start-ups. The COSME action supporting a study on the promotion of entrepreneurship in the social economy in Europe is of relevance to these endeavours.

Finally, the **Entrepreneurship 2020 Action Plan** - the overarching Commission strategy for encouraging entrepreneurship - features highly as a principle guiding the design and implementation of all the COSME entrepreneurship actions.

During the short time period in scope for this evaluation (2014-2016) it would have been difficult for the Commission to make significant adjustments in the direction of the COSME programme to reflect the simultaneous evolution of policy priorities. However, despite this, the portfolio of entrepreneurship actions funded during the period have achieved a high level of policy relevance. There are also indications (with the inclusion of actions on migrant entrepreneurship support schemes and networks for support to second starters in the 2016 COSME work programme) that over time the programme has the flexibility to address high priority topics that emerge.

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<sup>20</sup> <http://www.europarl.europa.eu/news/en/news-room/20160114IPR09909/eu-needs-more-women-entrepreneurs>



## 4 EFFECTIVENESS

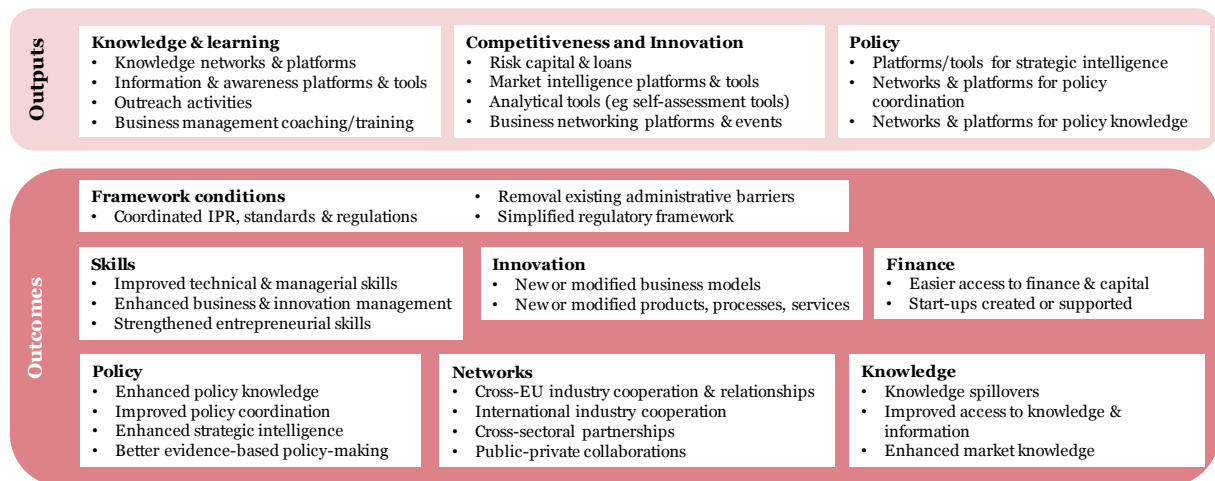
This section examines progress towards achieving the objectives of the entrepreneurship thematic area by looking at the expected and realised outputs and short-term outcomes of relevant COSME actions, as well as the current and expected results of the EYE programme specifically. We go on to examine the alignment of these results with expectations, before discussing the stakeholders targeted and reached by the various entrepreneurship actions including EYE. The focus throughout is on the EYE programme but, where possible, consideration is also given to the wider portfolio of entrepreneurship actions.

### 4.1 Progress towards achieving the entrepreneurship objectives

#### 4.1.1 Outputs and short-term outcomes of the COSME entrepreneurship actions (2014-2016)

The definitions of the different categories of outputs & outcomes are as shown below:

Figure 4 Outputs and short-term outcomes of the COSME entrepreneurship actions (2014-2016)



Source: Technopolis

The COSME work programmes (WPs) contain various information on the intended activities and expected outcomes / results for each entrepreneurship action, as well as a number of key performance indicators that might be measured. The structure used for providing this information is not entirely consistent across different actions and there are also some issues with information being presented in the wrong place (e.g. activities being listed as objectives). The anticipated outputs and outcomes of the actions are also not separated out, and are discussed (often only qualitatively) together as part of the 'results' section of the template, or only evident from the descriptions of objectives and funded activities. Therefore, there is no clear and definitive list of key outputs that is readily available. As such, for the 13 entrepreneurship actions that have been implemented (many of which are still ongoing), we have reviewed the various information presented in the work programmes to ascertain the key outputs and outcomes expected.

The 2014 and 2015 COSME monitoring reports (MR) contain some (limited and mainly qualitative) information on the outputs realised from some of the entrepreneurship actions. Obviously, these reports only provide short-term summary views, as many of the entrepreneurship portfolio actions are still under way (or not yet started) at the time of writing. Nevertheless, we have also reviewed these reports and extracted information and data where available. In the sections below, whenever information was available we report on the expected effects of the entrepreneurship actions, and also on outputs and outcomes actually reached.

A more in-depth look at the key entrepreneurship action (EYE) has also been undertaken, resulting in a fuller understanding of output realisation for this action. This is provided separately following the summary portfolio information.

### *Knowledge and learning outputs and outcomes*

#### *The various entrepreneurship actions*

The main expected knowledge and learning outputs identified for entrepreneurship actions are presented in the table below. The list includes the creation of an online platform, a website and an expert network, the organisation of two workshops, four conferences and an unspecified number of outreach events, training / mentoring sessions and online courses, plus over 3,300 placements in companies, the delivery of support services in four countries and the establishment of a number of additional support schemes for entrepreneurial migrants.

*Table 4 Knowledge and learning outputs expected and realised from entrepreneurship actions*

Sub-category of output	Relevant action	Detail of expected output (COSME WP 2014 / 2015 / 2016)	Detail of realised output (COSME MR 2014 /2015)
Knowledge networks and platforms	Women's entrepreneurship platform (2 actions)	An e-platform connecting women entrepreneurs across borders, to share practical approaches and address common challenges.	
	Senior entrepreneurship best practice exchange	At least two 'labs' for Member State experts to share approaches, experiences and details of support actions (using senior mentors or providing support to senior entrepreneurs).	
	Entrepreneurship education pan-EU network	A European network and online tool for entrepreneurship education to share best practice, information and experience, as well as undertake peer learning.	A network of 42 experts. A public website and content bank created. 64 Good practices identified and presented.
Information and awareness platforms/ tools	Women's entrepreneurship platform (2 actions)	An e-platform for female entrepreneurship, providing information (on training, mentoring, access to finance and good practices).	
Outreach activities	Digital entrepreneurship (awareness-raising campaign)	A series of events on digital entrepreneurship that will fuel inspiration and spread knowledge to entrepreneurs.	
	Conferences in support of entrepreneurship policy implementation	3x conferences to provide information and raise awareness of the topics of liberal professions, second chances for honest failed entrepreneurs, and transfers of businesses.	
	Study / conference on social economy and entrepreneurship	A conference on the social economy and social entrepreneurs.	Conference held, December 2015 (350-400 attendees)
Business management coaching / training	Erasmus for Young Entrepreneurs (3 actions)	Exchanges (new entrepreneurs spending a period of time collaborating with an experienced entrepreneur in another country). Anticipated 3,330+ 'successful' exchanges (i.e. 90% of 3,700 matches) from three rounds of funding (covering a period up to 2019). Building skills and developing plans by learning on the job, learning from experienced entrepreneurs and working on concrete projects.	1,270 relationships achieved (as of May 2016)
	Digital entrepreneurship (awareness raising campaign)	Training and mentoring sessions, plus online courses that provide targeted support to entrepreneurs.	

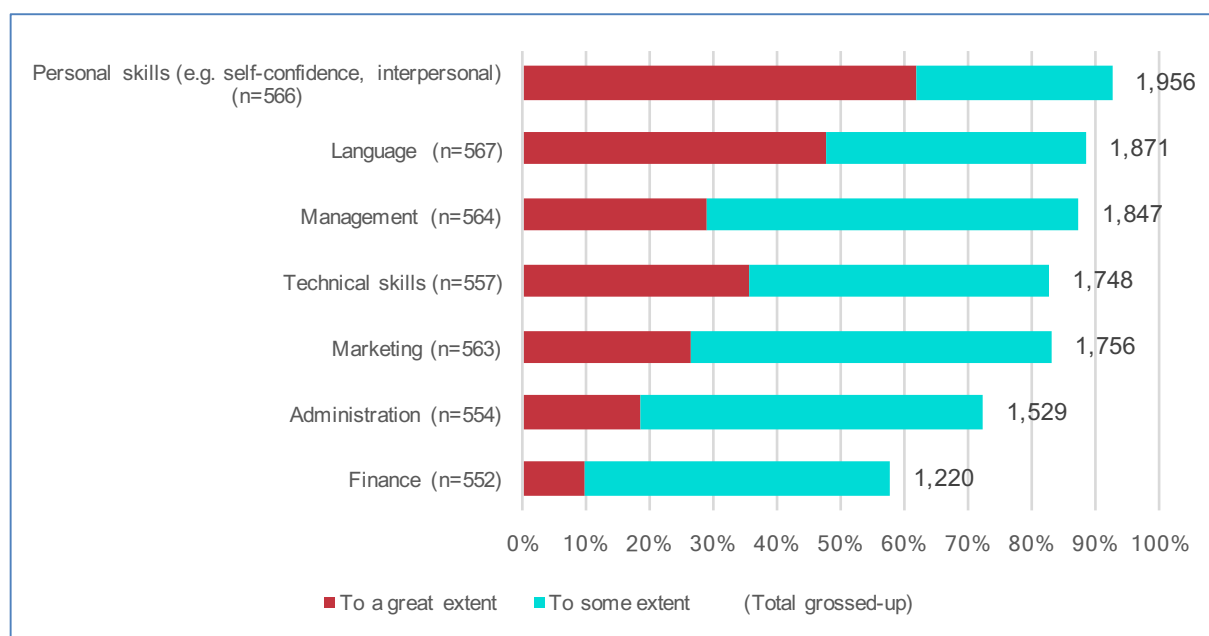
	Migrant entrepreneurship support	Set up of entrepreneurship support schemes for migrants.	
	Early warning / second starters network of support providers	A network that will establish support services for companies in distress in four European countries.	

Source: Technopolis, based on COSME Work Programmes 2014, 2015 & 2016 and COSME Monitoring Reports 2014 and 2015

### The EYE programme

Beneficiaries of the EYE programme, i.e. the New Entrepreneurs, were asked specifically about the types of **knowledge and skills** that had been improved through their placement. As can be seen in the figure below, a majority reported improvements in all of the suggested skill areas, and in particular various personal and language skills (where around half of the respondents reported that these had increased 'to a great extent'). To the right-hand side of the figure are shown grossed-up totals for the number of entrepreneurs who are estimated to have improved each skill area as a result of the programme. For example, we estimate that around 1,800 have improved their management and technical skills during the 2014-2016 period as a result of EYE. Similarly, between one and two thousand entrepreneurs are thought to have improved each of various other business skills (marketing, administration, finance).

Figure 6 To what extent did your experience in EYE improve your knowledge and skills in the following areas?



Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-2016 period.

New Entrepreneurs were further asked about the extent to which their EYE experience had improved their understanding of the challenges that might face an entrepreneur, as well as possible strategies for avoiding or overcoming these. The results were very positive, with nearly all (90%+) reporting a benefit in each area (see table below).

Table 5 To what extent did your experience in EYE improve your knowledge and skills in the following areas?

	To a great extent	To some extent	Not at all	n
Potential challenges facing an entrepreneur	47%	47%	6%	556
Strategies for avoiding / overcoming challenges	32%	57%	10%	552

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question

New Entrepreneurs were asked also to consider the extent to which their exchange had contributed *overall* to developing their knowledge and skills in relation to running a business. Nearly all (93%) felt that it had to some extent, which equates to some 1,969 new entrepreneurs who are estimated to have developed such knowledge and skills through the EYE programme over 2014-2016.

There have also been skill-related outcomes for the EYE host organisations, with some improvement reported in relation to foreign language skills in two thirds (66%) of businesses and in relation to training and mentoring skills in nearly all (91%) of the host organisations. We estimate that nearly 1,500 businesses overall (2014-2016) will therefore have been helped through EYE to improve internal training and mentoring skills, which is also likely to bring longer term benefits through future staff development.

*Table 6 To what extent did hosting the NE improve knowledge and skills within your organisation?*

	To a great extent	To some extent	Not at all	Total (grossed-up)
Foreign language skills (n=230)	16%	50%	34%	1,071
Training and mentoring skills (n=230)	33%	57%	9%	1,472

Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-2016 period.

The **business management coaching and training** outputs of the EYE programme were explored further through our targeted surveys of participants. New Entrepreneurs who had completed a placement at a host organisation through the programme were asked about the activities they had engaged in during their stay. In the table below, we show the proportion of survey respondents reporting on different types of coaching and training activities in which they had engaged, which was then used to estimate the total number of entrepreneurs who have undertaken such activities over 2014-2016.<sup>21</sup> We estimate, for instance, that during this period 1,608 entrepreneurs will have worked on concrete projects within their host organisation as a result of the EYE programme, while 1,317 will have improved their own business plans and 1,103 will have spent time understanding SME finance, branding, sales and marketing.

*Table 7 Which of the following (business management, coaching and training) activities did you engage in during your exchange? (base = 574)*

	% of respondents	Total NEs (grossed-up)
Working on concrete projects within host organisation	76%	1,608
Improving your own business plans	62%	1,317
Understanding SME finance, branding, sales and marketing of the host company	52%	1,103
Project development, innovation and R&D	44%	929
Shadowing a host entrepreneur	41%	867
Reviewing existing business operations	34%	719

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-2016 period.

### *Increase in cooperation & networks*

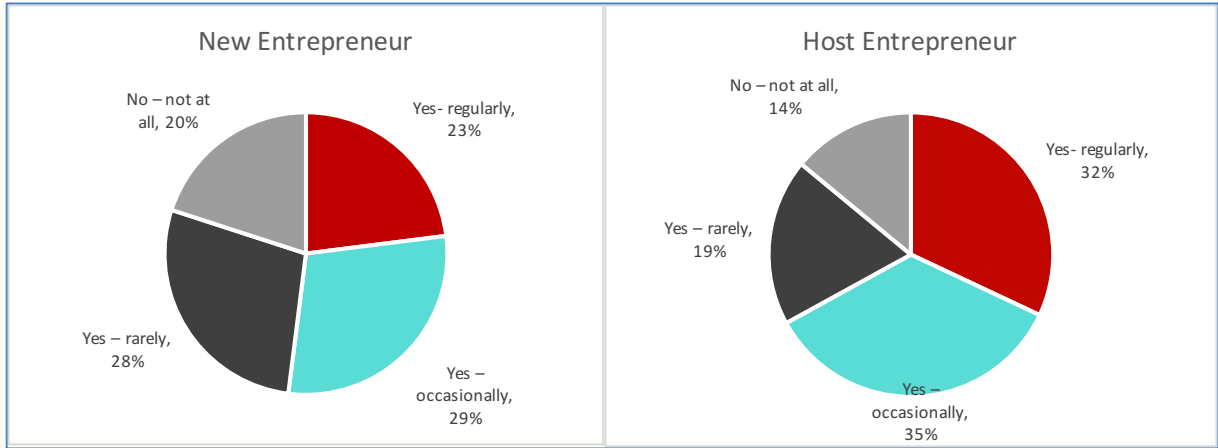
The main cooperation and network-related outcomes from the entrepreneurship portfolio were expected to flow from the EYE programme, which has an explicit aim to intensify business relationships and lay the ground work for further cooperation and internationalisation of European businesses. Many of the other entrepreneurship actions were also focused on the establishment of networks, but as a direct output, and so are included in the previous section (outputs) above.

<sup>21</sup> i.e. applying the proportion of respondents reporting a particular output to the total population of NEs who completed a stay through the EYE programme during the three-year period 2014-2016 (n=2,117).

Most of the New Entrepreneurs consulted (80%) still have some contact with their host organisation, even though the placement has ended. This is split relatively evenly between those who have rare, occasional or regular contact. If we take occasional and regular contact (together) as an indicator of an *ongoing* cross-EU relationship, then this 52% of respondents would equate to 1,107 entrepreneurs across the 2014-2016 period who have maintained contact with their host.

Similarly, 86% of hosts reported that they are still in contact with their New Entrepreneur after the placement. In 67% of cases, this was reported as occasional or regular contact, from which we estimate that 1,092 companies overall across the 2014-2016 period have maintained ongoing contact.

Figure 7 Are you still in contact with the Host / New Entrepreneur?



Source: EYE Host and New Entrepreneur Surveys. Excludes non-respondents to this question.

In fact, many of the ongoing relationships between host and new entrepreneur involve formal business cooperation arrangements. For instance, some of the host organisations (15%) report that they now employ the New Entrepreneur they hosted through the EYE scheme.

We estimate that overall 315 hosts across the 2014-2016 period are now employing an entrepreneur they hosted through the scheme. In addition, the NEs report a range of other ongoing forms of business cooperation with their host (see below). For example, based on these responses, we estimate that 212 NE are acting as an agent for their EYE host, while 191 have entered into a joint venture. Others are buying from/selling to their host, hold licencing agreements or engage in other forms of business cooperation.

Table 8 Have you established any of the following forms of business cooperation with your host?

	% of respondents	Total NEs (grossed-up)
Acting as agent	10%	212
Joint venture	9%	191
Buyer - client relationship (HE purchasing goods or services from NE)	6%	127
Buyer - client relationship (NE purchasing goods or services from HE)	2%	42
Licensing agreement	2%	42
Other form of business cooperation	8%	169

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-2016 period.

## Outputs and outcomes facilitating competitiveness and growth

### The various entrepreneurship actions

The main **innovation-oriented outputs** (expected and realised) for entrepreneurship actions are presented in the table below. In this category, only outputs relating to market intelligence or business networking platforms and tools were identified within the entrepreneurship portfolio. The list includes a digital entrepreneurship scoreboard and associated market data, an unspecified number of market reports, and a framework for monitoring entrepreneurship education developments, as well as business networking and relationship building opportunities. The monitoring reports include details of outputs achieved by the digital entrepreneurship monitor (see final column).

Table 9 Innovation outputs expected from entrepreneurship actions

Sub-category of output	Relevant action	Detail of expected output (COSME WP 2014-2016)	Detail of realised output (COSME MR 2014-2015)
Innovation	Erasmus for Young Entrepreneurs (3 actions)	Support to host entrepreneurs in researching, developing and testing / piloting new business concepts, products or services (with the NE bringing in new ideas)	
Market intelligence platform and tools	Digital Entrepreneurship (Monitor)	Annual digital entrepreneurship scoreboard, measuring / monitoring information on trends, market dynamics and upcoming business opportunities on digital entrepreneurship. Website with regularly updated information on statistical data and emerging opportunities.	3 technology reports 3 industry reports 1 industry-based survey
	Entrepreneurship education pan-EU network	A framework for monitoring progress in entrepreneurship education according to widely agreed indicators.	
Business networking platforms and events	Erasmus for Young Entrepreneurs (3 actions)	Intensifying networking and business relationships between entrepreneurs from different countries, raising awareness of going international, and laying the ground for future internationalisation	

Source: Technopolis, based on COSME Work Programmes 2014, 2015 & 2016 and COSME Monitoring Reports 2014 and 2015. No outputs were identified in the following sub-categories: risk capital / loans; analytical tools' business networking platforms / events

### The EYE programme

The **business networking** outputs of the EYE programme were explored further through our targeted surveys of participants. Most New Entrepreneurs reported various opportunities for business networking through their EYE programme placement (see table below). We estimate that as a result of the programme, over 1,000 individuals were given the opportunity to undertake market research and develop new business opportunities, meet customers and suppliers and attend business-related events.

Table 10 Which of the following (business networking) activities did you engage in during your exchange? (base = 574)

	% of respondents	Total NEs (grossed-up)
Market research and developing new business opportunities	61%	1,283
Meeting customers / suppliers	57%	1,202
Attending fairs, conferences, and other events	55%	1,158

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-2016 period.

The entrepreneurs were further asked about the extent to which such business networking opportunities (as well as the stay with the host more generally) had allowed

them to identify and / or meet different types of business contacts. The great majority (88%) reported having identified/met potential partners or collaborators, while a similar proportion (85%) had met other entrepreneurs. Around two-thirds of entrepreneurs got to identify/meet potential buyers and suppliers through the programme (63% in each case). In the table below (final column), we have extrapolated from these responses ('to a great extent' + 'to some extent') to estimate the total number of entrepreneurs who have identified/met each type of business contact as a result of the programme.

*Table 11 To what extent did your exchange allow you to identify or meet with the following?*

	To a great extent	To some extent	Not at all	Total NEs (grossed-up)
Potential partners or collaborators (n=565)	37%	51%	12%	1,862
Other entrepreneurs (n=566)	32%	53%	15%	1,792
Potential suppliers (n=561)	12%	51%	37%	1,336
Potential buyers (n=561)	13%	50%	37%	1,325

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-2016 period.

While the focus of EYE is the support and opportunities provided to the new entrepreneurs, it also brings immediate direct effects (outputs) for the host organisations in terms of supporting **innovation** within their business. We asked **Host Entrepreneurs** about various activities that their New Entrepreneur may have undertaken during their stay. In the table below, we show the proportion of host respondents reporting each of a list of innovation-related activities that their guest engaged in which we have then used to estimate the total number of host companies that will have experienced such tangible benefits over 2014-2016.<sup>22</sup> For instance, we estimate that 1,268 host companies have benefited from a new entrepreneur working on concrete projects within their organisation, while 1,082 have benefited from their guest undertaking market research and work to develop new business opportunities.

*Table 12 Which of the following (innovation-related) activities did the New Entrepreneur engage in during their time with your organisation? (n=235)*

	% of respondents	Total HEs (grossed-up)
Working on concrete projects within your organisation	78%	1,268
Market research and developing new business opportunities	67%	1,082
Project development, innovation and R&D	51%	834
Reviewing existing business operations	42%	676
Administrative tasks	34%	545

Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 1,620 companies hosting entrepreneurs during the 2014-2016 period.

Host entrepreneurs were also asked about the extent to which the entrepreneur had introduced their company to useful business contacts. Three-quarters of hosts (72%) reported having been introduced to potential partners or collaborators, while smaller proportions had been introduced to potential buyers (51%) or suppliers (45%). In the table, we have extrapolated from these responses to estimate the total number of companies that have been introduced to each type of contact as a result of the programme.

<sup>22</sup> i.e. applying the proportion of respondents reporting a particular output, to the total population of companies that hosted a New Entrepreneur through the EYE programme during the three-year period 2014-2016 (1,620).

*Table 13 To what extent did the New Entrepreneur introduce your organisation to useful business contacts?*

	To a great extent	To some extent	Not at all	Total HEs (grossed-up)
Potential partners or collaborators (n=228)	23%	49%	28%	1,172
Potential buyers (n=224)	9%	42%	49%	832
Potential suppliers (n=221)	9%	36%	55%	726

Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 1,620 companies hosting entrepreneurs during the 2014-2016 period.

### *Policy outputs and outcomes*

The main expected **policy outputs** for entrepreneurship actions are presented in the table below. The monitoring reports also record realised outputs in relation to two actions (final column). The list includes several reports/studies and a website providing information on national policies / practices, as well as various good practice compendiums / guides relating to entrepreneurial policies and support measures, plus a number of events (conferences, workshops) involving stakeholders sharing experiences in order to arrive at a more coherent, consistent or unified European vision, policy or approach.

*Table 14 Policy outputs expected from entrepreneurship actions*

Sub-category of output	Relevant action	Detail of expected output (COSME WP 2014-16)	Detail of realised output (COSME MR 2014-15)
Platforms / tools for strategic intelligence	Study / conference on social economy and entrepreneurship	A study on national policies towards the social economy and social entrepreneurs (including good practices and policy recommendations).	
	Digital entrepreneurship (monitor)	Website with regularly updated information on policies, case studies and business opportunities. Regular reports analysing the framework conditions for success, as well as successful policy mixes that incited entrepreneurial action.	European blueprint for cities and regions as launchpads for digital transformation Report on accelerating the uptake of big data and building digital platforms Report on reskilling the workforce: digital skills for industry
	Migrant entrepreneurship support	Written recommendations and guidance on best practice support for migrants.	
	Senior entrepreneurship best practice exchange	Written recommendations and guidance on (good practice) past actions involving or supporting senior entrepreneurs.	
Networks and platforms for policy coordination	Digital entrepreneurship (monitor)	Dialogue events developing a common and coherent vision on the position of European enterprises in the digital world.	A high-level conference on digital transformation of Europe's industry and enterprises (400 participants). Four strategic policy forums on digital entrepreneurship.
	Digital entrepreneurship (awareness raising campaign)	A number of workshops with industry, the business and academic community and national/regional experts to shape a pan-European vision and coordinate policy actions	
	Entrepreneurship education pan-EU network	A European network and online tool for entrepreneurship education to improve the coherence of / synergies between MS initiatives.	
	Conferences in support of entrepreneurship policy implementation	3x conferences to allow peer learning across Member States and help consolidate / unify efforts. Written outputs from conferences, including concrete proposals for	



	future measures and actions.	
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Source: Technopolis, based on COSME Work Programmes 2014, 2015 & 2016 and COSME Monitoring Reports 2014 and 2015. No outputs were identified in the following sub-category: Networks / platforms for policy knowledge

#### 4.1.2 Results of the programme – current and expected

This section looks at the main results (short-term effects) of the EYE programme so far. These relate to 'capacity enhancement' and 'support to innovation' results in the categorisation shown below.

Figure 5 Results of the programme



#### Capacity enhancement

To understand the programme's achievements, the study has taken a snapshot of the 2,117 placements that began and ended during the 2014-2016 period. Based on the survey responses from a sample of New and Host Entrepreneurs in this group, we have then grossed-up our estimate to the full population of New and Host Entrepreneurs involved in placements over these three years. This has enabled us to estimate the overall scale of a range of outputs and outcomes that the programme is likely to have realised. In most cases these provide evidence of the programme's achievements in relation to enhancing the capacities of New Entrepreneurs. In the tables below we summarise these estimates.

Table 15 Capacity enhancement activities undertaken by entrepreneurs through EYE

Number of New Entrepreneurs engaged in .... through the EYE programme	
Working on concrete projects within a host organisation	1,608
Improving their own business plans	1,317
Market research and developing new business opportunities	1,283
Meeting customers / suppliers	1,202
Attending fairs, conferences, and other events	1,158
Understanding SME finance, branding, sales and marketing of the host company	1,103
Project development, innovation and R&D	929
Shadowing a host entrepreneur	867
Reviewing existing business operations	719

Table 16 Knowledge and skill development of entrepreneurs through EYE

Number of New Entrepreneurs reporting improved... through the EYE programme	
Personal skills (e.g. self-confidence, interpersonal)	1,956
Language skills	1,871
Management skills	1,847
Marketing skills	1,756
Technical skills	1,748
Financial skills	1,220

Table 17 Network development of entrepreneurs through EYE

Number of New Entrepreneurs engaging with... through the EYE programme	
Potential partners or collaborators	1,862
Other entrepreneurs	1,792
Potential suppliers	1,336
Potential buyers	1,325

Table 18 Increased entrepreneurial activity as a result of EYE

Number of New Entrepreneurs reporting that the EYE programme has contributed to...	
Their plans and preparations for establishing a business in the future	1,985
The establishment of a new business	1,541
The development / growth of an existing business	1,724

Source: Technopolis grossed-up figures, based on EYE New Entrepreneur Survey.

EYE is a rolling programme, with two or three new placements starting every day (on average). As such, the results being achieved in the 2014-2016 period are likely to continue to be replicated moving forwards.

In addition, there are already indications that the enhanced capacity amongst 2014-2016 beneficiaries is supporting further outcomes (new businesses and business growth), which go beyond the stated objectives of the EYE programme itself, but contribute to wider COSME aims and objectives around the growth and the scaling-up of SMEs. Even in the short period covered by this evaluation (i.e. many of those consulted will have only completed their experience within the previous twelve months), the proportion of this cohort of beneficiaries who are in employment or self-employment has increased from 50% (before placement) to 78% (after placement). In addition, these New Entrepreneurs are estimated to have already created 241 new businesses in the year or two since their EYE placement, generating an additional €5m in turnover and over 1,000 new jobs in the economy.

**New Entrepreneurs** were asked through the survey to indicate their education/employment status at the time when they first applied to participate in the EYE programme and then also their current status. A comparison of the responses (see below) shows a big increase in the proportion employed and a smaller increase in the proportion that are self-employed / entrepreneurs. At the same time, there has been a reduction in the proportion that are unemployed and a reduction in the proportion in education and training. By grossing-up these responses, we estimate that of the 2,117 New Entrepreneurs who participated in EYE during 2014-2016, the number now in employment or self-employment has increased by 600 (compared to before their placement), while the number who are unemployed has fallen by nearly 500.

Table 19 What was your situation when you first applied / registered to participate in the programme; and what is your current situation?

	% of responses		Total (Grossed-up figures)		
	Before placement	After placement	Before	After	Difference
Self-employed / entrepreneur	36%	41%	765	866	101
In education or training	18%	10%	377	210	-167
Employed	14%	37%	295	788	493
Unemployed	30%	7%	630	157	-473
Other (please specify)	2%	5%	50	96	46

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 2,117 entrepreneurs completing placements during the 2014-16 period.

These are clearly positive results. However, the stated objective of the EYE programme is to provide aspiring entrepreneurs with the skills necessary to start and / or successfully run a small business. While these skills may well be transferable (e.g. to employment), the clear intention is to encourage and enable new business start-up / growth. In this context, the ~100 extra entrepreneurs created amongst 1,352 participants (those that were not already self-employed) appears less impressive.

However, there may be an issue of timing here, in that many of the NE consulted through this study will have only recently completed their placement. As we will see below, the proportion of participants reporting that the scheme has contributed to their "plans and preparations for establishing a business", far outweighs those that at this point had established their own start-up. As such, over the next several years, the

proportion of 2014-16 participants that are self-employed / entrepreneurs may rise considerably from the 41% reported through our survey.

This hypothesis is supported by the 2013 EYE statistical analysis, which covered a longer time period (placements between 2009 and 2013) and was therefore better able to explore potential time-lags. This analysis found that only 9% of would-be entrepreneurs (i.e. those that did not already have a business) that had completed a placement in the past 12 months had started a new business, while two-thirds of those participating in the programme much earlier (during 2009) had created a business by the time of being surveyed in 2013.

As introduced above, respondents also provided feedback on how much they felt the exchange had helped them plan for, set up, or grow a business. Responses to the three statements were on the whole positive, with for example over half (57%) claiming that participation in the programme had contributed 'to a great extent' to their plans and preparations for establishing a business in the future. One-third (32%) claimed it had been very helpful with the development or growth of an existing business, and a quarter (25%) said that it had contributed to a great extent to starting a new business.

When asked to provide further explanation as to the contribution of EYE to these outcomes, most of the entrepreneurs mentioned the first-hand business experience that had been received through their placement, or the additional confidence they had gained in relation to their entrepreneurial / business plans, abilities and ambitions.

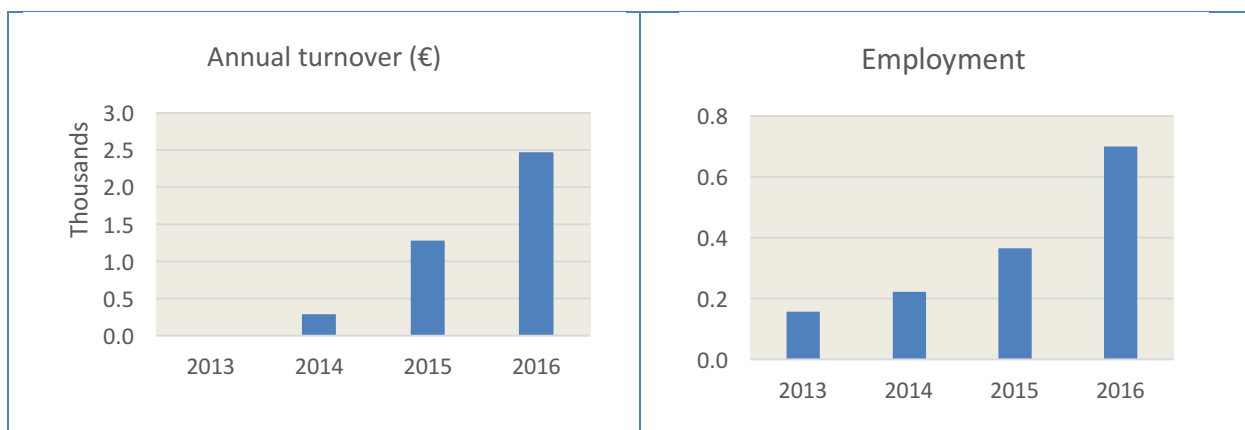
Table 20 To what extent has your participation in the EYE programme contributed to...?

	To a great extent	To some extent	Not at all	n
The establishment of a new business	25%	48%	27%	397
The development / growth of an existing business	32%	49%	19%	377
Plans and preparations for establishing a business in the future	57%	37%	6%	482

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question

The responding New Entrepreneurs were invited to provide information on turnover for their businesses (or to enter "n/a" if they did not own a business in a given year). In our analysis of their responses, we have focused on those Entrepreneurs who had zero turnover in 2013 (which represent 90% of respondents that provided financial information). Figure 6 below shows that those New Entrepreneurs have (on average) seen a steady increase in turnover between 2013 and 2016, reaching €2,470 in 2016. While this figure may seem small, we should bear in mind that 70% of responding entrepreneurs (257 out of 366) still did not own a business in 2016 (and therefore had zero turnover).

Figure 6 Average turnover and employment of New Entrepreneurs (2013-2016)



Source: Technopolis (2017). Calculations based on the EYE New Entrepreneur survey. N (Turnover)=308-315; N(Employment)=284-286

Based on our estimates, and taking into account the total number of New Entrepreneurs who have participated in EYE during the period of analysis (N=2,117), we estimate that the EYE programme is linked to: **241 new businesses, €5m in additional turnover and 1,059 new jobs.** The parameters of these estimations and results are shown in Table 21.

The 241 new businesses should be seen in the context of the 1,352 NEs that were not self-employed / an entrepreneur already before their placement (i.e. a rate of 18%). It is also likely to increase significantly with time. As mentioned previously, the 2013 statistical analysis covered a longer time period, and found the proportion of 'would-be entrepreneurs' that had created a new business increased with time, from 7% (amongst those that had participated in the previous 12 months) to 66% (amongst those that had participated in the programme four years earlier).

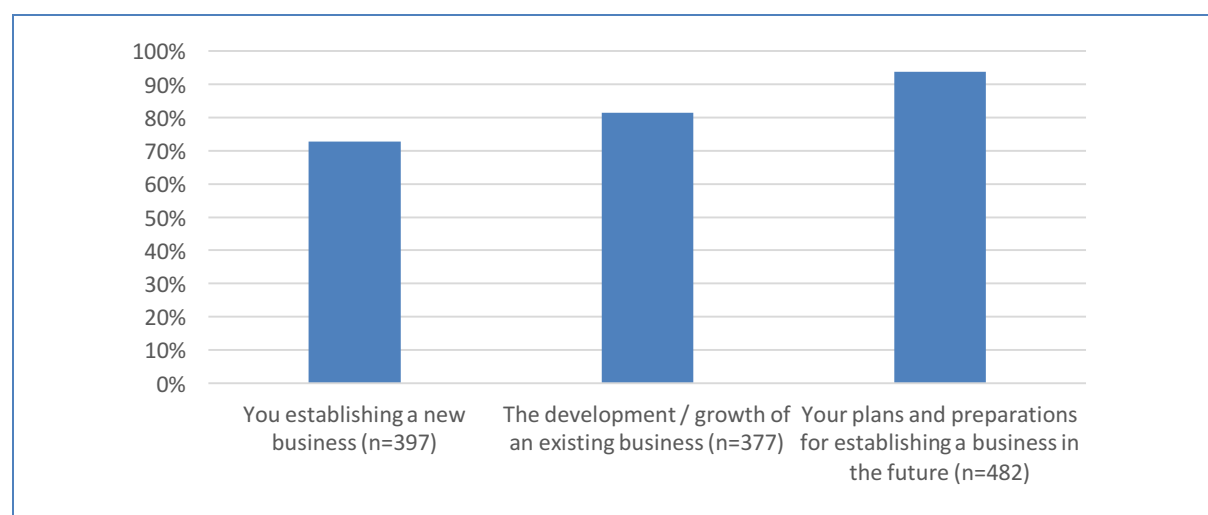
Table 21 Grossed-up estimates of turnover and employment (Host Entrepreneur)

	Baseline (2013)	2016	Absolute increase	Number of New entrepreneurs	Grossed -up estimates
Newly established Business	--	11.4%	--	2,117	241
Turnover (in €)	0	2,470	2,470	2,117	5,228,990
Employment	0.2	0.7	0.5	2,117	1,059

Source: Technopolis (2017). Calculations based on the EYE Host Entrepreneur survey

Even though it is not possible to make a claim of 'causality' between EYE and the results presented above, our evidence suggests that they are strongly linked / attributed to the programme. Between 73% and 94% of New Entrepreneurs agreed that their participation in the EYE programme had contributed (to some extent or to a great extent) to the establishment of a new business, the development of an existing business, or to plans and preparation of new business (see Figure 7).<sup>23</sup>

Figure 7 To what extent has your participation in the EYE programme contributed to....?



Source: Technopolis (2017). EYE Host Entrepreneur survey. The percentages exclude those NEs who ticked the option 'not applicable'.

**Host Entrepreneurs** were also asked about the extent to which hosting a New Entrepreneur had contributed to their company's performance and growth. The following table shows the proportion reporting that it contributed to some extent to each of the aspects listed, as well as an estimated total grossed-up figure for all host organisations participating 2014-2016. In their additional comments, most hosts highlighted the

<sup>23</sup> Note that these figures include New Entrepreneurs who still show zero turnover in 2016 and, consequently, have not been included in our estimates above.

additional / new ideas and opportunities that the New Entrepreneur brought to the company as the main reason for their assessment of contribution to business growth.

Table 22 To what extent did hosting the New Entrepreneur contribute to each of the following?

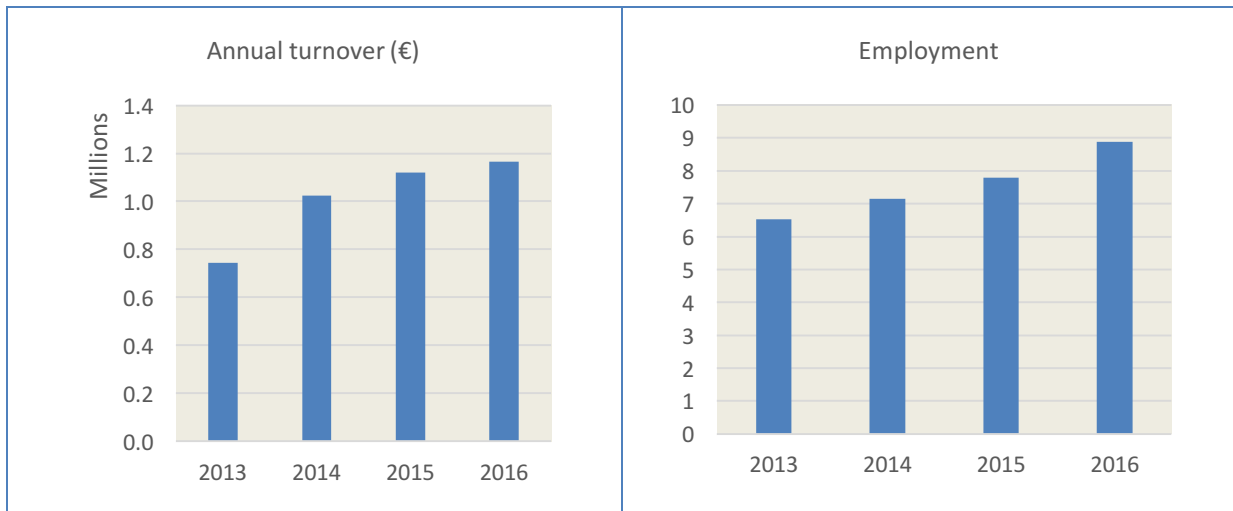
	% responses	Total (Grossed-up figures)
Expansion of the company's operations to new countries	38%	619
Increase in the company's turnover	36%	591
Expansion of the sales to new countries	26%	415
Increase in number of employees within the company	24%	382
Safeguarding of jobs within the company	21%	345
Increase in the company's export turnover	16%	256

Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion of all 1,620 companies hosting entrepreneurs during the 2014-16 period.

Analysis of turnover and employment from our Host Entrepreneurs survey shows that they tend to have relatively small companies at the outset of the programme. As shown in Figure 8, the Host Entrepreneurs had, on average, €744k in annual turnover and seven employees in 2013.

The figure also shows that Host Entrepreneurs have experienced growth between 2013 (initial year in our analysis) and 2016, both in terms of turnover and employment. This analysis is based on a subset of HEs who provided financial information to our survey, but we are confident that the number of responses allow for meaningful statistical analysis.

Figure 8 Average turnover and employment of Host Entrepreneurs (2013-2016)



Source: Technopolis (2017). Calculations based on the EYE Host Entrepreneur survey. N (Turnover)=106-111; N(Employment)=153-160

We further explore the issue of performance among **Host Entrepreneurs** by calculating growth rates, for both turnover and employment, and comparing those outcomes against the overall performance of all SMEs (benchmark). Similar to the analysis conducted for the EEN Survey clients, we:

- Calculated the annual growth rate of the SMEs in 2016 by using a Compound Annual Growth Rate (CAGR), based on estimations of turnover provided by SMEs for 2013 and 2016.
- Accounted for positive bias associated with the fact that SMEs are still operating after two years (i.e. between 2013 and 2016). This is done by accounting for the failure

rates of SMEs, based on national statistics and accounting for country and size of the company in 2016 (in terms of employment).

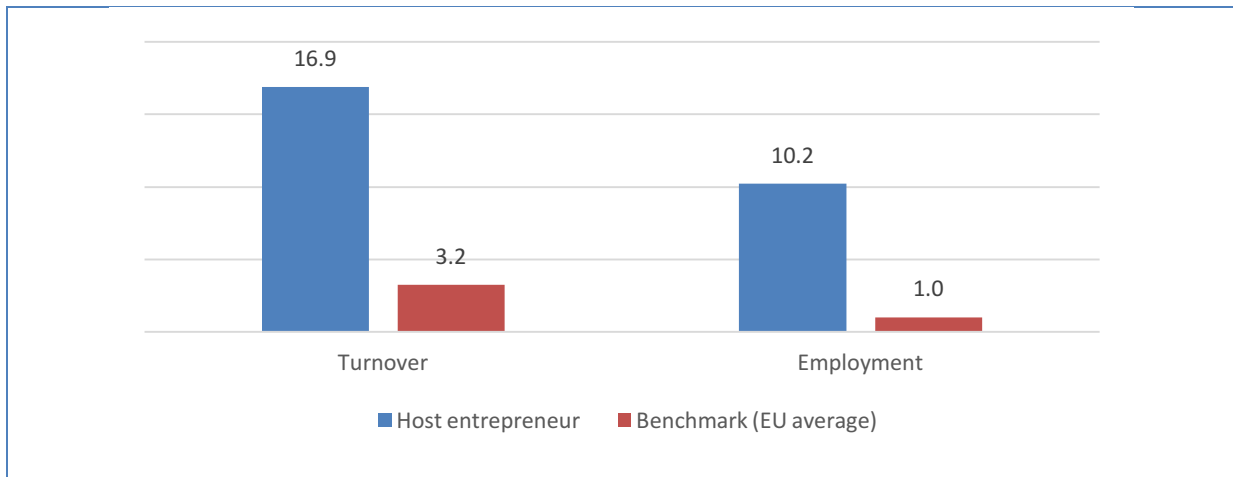
- Compared our estimates with a benchmark provided by national statistics on SMEs growth. Data on employment and turnover for SME populations at country level were collected from Eurostat and national sources and used to produce benchmark figures. The overall figures of SME growth (for both turnover and employment) are calculated as a weighted average across all countries (using the share of SMEs in each country to weight).

The calculations are presented in Figure 9. They show that, on average, Host Entrepreneurs have had a CAGR of 16.9% and 10.2% in annual turnover and employment respectively. The calculations exclude those companies that reported 'zero' turnover in 2013. Our statistical analysis reveal that the average and median are similar, indicating that the figures are not being driven by a small number of companies.

These ratios are considerably higher in comparison with the rest of the economy (3.2% and 1% in annual turnover and employment, respectively) and this may partly reflect the type of company that is attracted to the EYE scheme, i.e. young companies, engaged in innovation activities and with growth potential.

In that sense, a better comparator for growth would be SMEs with a similar profile. In fact, one of the definitions of high-growth enterprises used by Eurostat includes those companies that have an "average annualised growth in the number of employees greater than 10% per year, over a three-year period, and with ten or more employees at the beginning of the observation period" (Eurostat, 2014<sup>24</sup>). This indicates that Host Entrepreneurs' performance during the period of participation in EYE would locate them among the 'exclusive group' of high-growth enterprises.

Figure 9 Average compound annual growth rate (2016 versus 2013), in %



Source: Technopolis (2017). Calculations based on the EYE Host Entrepreneur survey. N (Turnover)=91; N(Employment)=138, and Eurostat

Based on our estimates, and taking into account the total number of Host Entrepreneurs who have taken part in EYE during the period of analysis (N=1,620), we estimate that the EYE programme is linked to **€203m in additional turnover** and **1,157 new jobs**. The parameters of these estimations and results are shown in Table 23.

<sup>24</sup> [http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:High-growth\\_enterprise](http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:High-growth_enterprise)

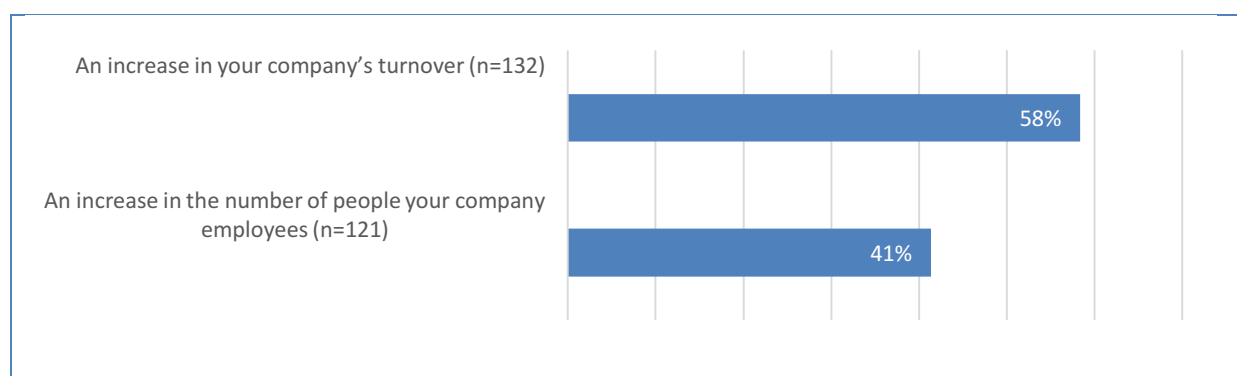
Table 23 Grossed-up estimates of turnover and employment (Host Entrepreneurs)

	Baseline (2013)	Growth (in %)	Growth (in numbers)	Number of Host Entrepreneurs	Grossed –up estimates
Turnover (in €)	744,275	16.9	125,782.5	1,620	203,767,610
Employment	7	10.2	0.7	1,620	1,157

Source: Technopolis (2017). Calculations based on the EYE Host Entrepreneur survey, and Eurostat

In terms of attribution, i.e. the extent to which this additional turnover and employment can be attributed to EYE, our survey of shows that 58% of Host Entrepreneurs (who have seen an increase in turnover) think this is due (to some or to a great extent) to their participation in the EYE programme. Similarly, 41% of Host Entrepreneurs (who have seen an increase in employment) think this is due (to some or to a great extent) to their participation in the EYE programme. This provides a strong indication that EYE has made a recognisable contribution to growth in turnover and employment in many cases.

Figure 10 To what extent did hosting the New Entrepreneur contribute to each of the following?



Source: Technopolis (2017). Calculations based on the EYE Host Entrepreneur survey. The percentages exclude those HEs who ticked the option 'not applicable'.

### Support for innovation

Nearly all (91%) of the **New Entrepreneurs** consulted through the study reported that their **EYE** exchange had contributed to the development of their business plan or activities. This includes one-third of entrepreneurs (35%) who reported that the exchange had contributed 'to a great extent'. Based on these responses, we estimate that 1,920 Entrepreneurs in total will have been helped to develop their business plans and activities as a result of their involvement in EYE during 2014-2016.

Nearly all (96%) of the New Entrepreneurs surveyed reported that their exchange had contributed to their overall knowledge about another country and / or market. When asked for more detail, similarly positive results were achieved in relation to knowledge of the host's sector and the host country (including the cultural setting and the general business environment). A slightly lower proportion (89%) reported improved knowledge about international business opportunities.

Table 24 To what extent did your experience in EYE improve your knowledge and skills in the following areas?

	To a great extent	To some extent	Not at all	n
The host's sector	57%	41%	2%	558
The host country (i.e. the cultural setting or business environment)	61%	36%	3%	560
International business opportunities	34%	56%	11%	558

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question

In return, most host organisations (88%) also reported increased knowledge of the country of origin of their New Entrepreneur (its culture and business environment) as a result of the placement.

**Host Entrepreneurs** similarly reported widespread benefits for their business activities as a result of hosting a New Entrepreneur. In particular, nearly all of these companies reported that the entrepreneur whom they hosted had helped them progress with a particular task or project (94%) or that they had introduced new ideas or fresh perspectives (91%). A majority of the hosts also reported that the placement had brought new skills, methods or techniques to their business (73%), helped identify new business opportunities (70%) or supported the development of new products or services (70%).

As can be seen in the final column below, we estimate that in the 2014-2016 period more than 1,100 host businesses will have been helped with each of these aspects a result of the EYE programme placements.

*Table 25 To what extent did hosting the Entrepreneur bring benefits to your business in the following areas?*

	To a great extent	To some extent	Not at all	Total (grossed-up figures)
Progress with a particular task or project (n=226)	47%	46%	6%	1,520
The introduction of new ideas or fresh perspectives (n=228)	35%	56%	9%	1,471
New skills, methods or techniques that can be applied in our business (n=223)	25%	48%	27%	1,177
The development of new products or services (n=223)	24%	46%	30%	1,133
The identification of potential business opportunities (n=222)	22%	48%	30%	1,131

Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question. Grossed-up figures are based on the proportion (to some / great extent) of all 1,620 hosting entrepreneurs during the 2014-2016 period.

#### 4.1.3 Alignment with the expectations

##### Capacity enhancement

The objectives of the **EYE programme** mainly relate to capacity enhancement: increasing the managerial, entrepreneurial and internationalisation capacity of New Entrepreneurs, through on-the-job learning / coaching, awareness-raising and networking experiences involving more experienced entrepreneurs in other Member States. These feed into the wider COSME entrepreneurship objectives of promoting entrepreneurship and facilitating relevant experiences, learning and networking.

The EYE programme has successfully achieved its intended objectives and, through this, contributed to the wider objectives of the COSME programme. The only quantitative KPI set for the scheme was to achieve 3,700 successful matches (from 2014-2016 funding) by 2019. By the end of 2016 the programme was on track to achieve this, with over 2,000 placements completed during the first three-year period. In addition, we have presented other data above on various outputs and outcomes realised by the programme over the period which have shown its contributions to programme objectives.

Through the EYE survey we also asked the beneficiaries of the programme about their initial motivations for participating, and then about whether these expectations were met. For the majority of **hosts** (see figure below), the most important motivation for them in participating in the EYE programme was to help young and aspiring entrepreneurs (76% reported this was a very important motivation). The evidence presented earlier from the New Entrepreneurs survey clearly showed that they were helped and in a variety of ways, ranging from new knowledge and skills to new contacts

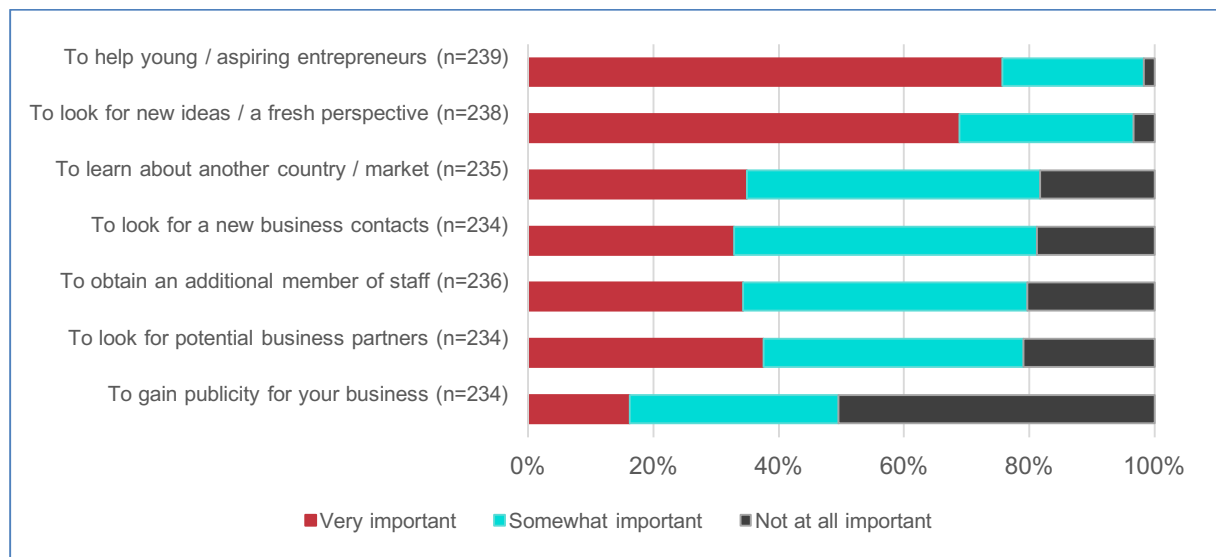


and partners. Nearly all hosts (93%) also reported being (very/somewhat) satisfied with the willingness of their Entrepreneur to learn and contribute.

A majority of hosts also reported that a major motivation was to look for new ideas or fresh perspectives (69%). Again, there has been clear evidence from hosts that this was realised. For instance, 91% reported that their NE brought benefits to their business in terms of the introduction of new ideas or fresh perspectives. A majority (73%) also reported that the NE brought new skills, methods or techniques that could be applied in their company.

Other motivations (looking for potential partners, learning about other markets, obtaining additional staff and looking for contacts) were slightly less important motivations for hosts on average. Nevertheless, these benefits have also been realised in many cases. For instance, a majority of hosts reported some kind of business cooperation with their NE (e.g. 17% of hosts have embarked on a joint venture with their NE, while 22% report the NE is acting as an agent for them). A majority of hosts (88%) also reported improvements in their knowledge about other countries as a result of hosting a New Entrepreneur. Finally, nearly all hosts reported being introduced to potential suppliers (45%), buyers (51%) or partners/collaborators (72%) through the NE whom they hosted.

Figure 11 How important were each of the following as motivations for participating in the EYE programme? (Host Entrepreneur)



Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question.

The New Entrepreneurs were similarly asked about their motivations for participating in EYE and whether these expectations have been met. The results are shown in Figure 12 below.

The main reason given by nearly all NEs was to **develop new knowledge and skills** relating to running a business (83% reported this as a very important motivation). Most NEs have gone on to report improvements in their management (87%), marketing (83%), technical (83%) and finance skills (58%). Nearly all (93%) New Entrepreneurs also went on to conclude overall that EYE had helped them to develop new knowledge and skills relating to running a business.

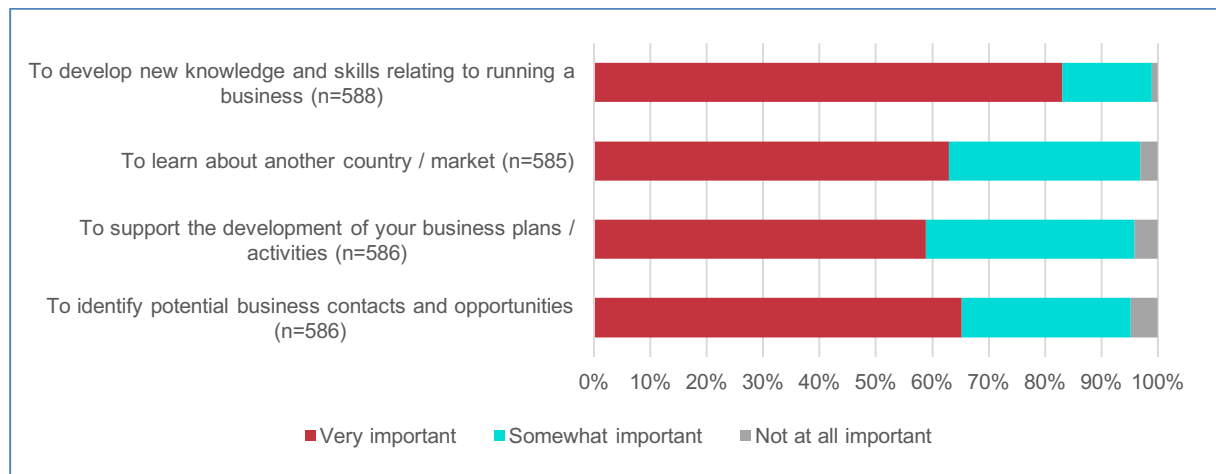
Identifying potential **business contacts and opportunities** was a significant motivation for 65% of NEs, and this has also occurred in most cases. A majority of NEs reported spending some time during their placement meeting customers and suppliers (57%), attending business events (55%) and developing new business opportunities (61%). Most also reported meeting potential business contacts – be they potential partners

(88%), buyers (63%) or suppliers (63%). The vast majority (88%) also went on to conclude overall that EYE had helped them to identify potential business contacts and opportunities.

Learning about another **country / market** was a very important motivation for 63% of NEs. A majority (61%) of NEs reported spending some time during their placement doing market research and looking at business opportunities, while 97% reported improvements in their knowledge of the host country in terms of the cultural setting or business environment. Nearly all (96%) NEs also concluded overall that EYE had helped them learn about another country or market.

Finally, over half of NEs (59%) reported that supporting the **development of business plans** and activities was a very important motivation for their participation in EYE. Nearly two-thirds (62%) of NEs reported that they spent time improving their business plan during their placement. Nearly all (91%) went on to say that EYE had helped them to develop their business plans and activities.

Figure 12 How important were each of the following as motivations for participating in the EYE programme? (New Entrepreneur)



Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question.

## 4.2 Enabling factors and barriers

### 4.2.1 Stakeholders targeted and reached

Each of the **entrepreneurship actions** was designed with one or more specific target audience(s) in mind (i.e. the direct beneficiaries, participants or audiences). However, they were frequently also intended to have an impact on a broader circle of stakeholders (i.e. indirect targets), often in the longer term. Below we introduce the different groups of stakeholders targeted (directly and indirectly) by the individual entrepreneurship actions. These are then summarised in tabular form.

- The **Erasmus for Young Entrepreneurs** programme is targeted at 'new entrepreneurs' who are firmly planning to set up their own business, or who have already started one in the past three years. It is also targeting more experienced entrepreneurs (as hosts), who own or manage an SME.
- The **digital entrepreneurship** actions (awareness campaign and monitor) target a variety of audiences through different means, ranging from addressing the needs of policy makers and businesses through better access to evidence, to engaging digital entrepreneurs, intrapreneurs (persons within companies that promote innovation), e-mentors and business owners through advice provision and mentoring.
- The **women's entrepreneurship** actions (see Appendix A) address the needs of women entrepreneurs by offering an online platform with a comprehensive repository

and by facilitating access to advice and networking opportunities to help with entrepreneurship-related queries. This platform also acts as a hub where information is gathered and experts in their field can communicate with women starting up or developing their businesses.

- The **migrant entrepreneurship** projects funded by the 2016 COSME action foresee the collaboration of public administrations and dedicated organisations in peer learning and networking activities to share good practices on how to support migrant entrepreneurs. The objective is to launch specific measures targeting potential migrant entrepreneurs with business training, legal and regulatory advice provision, individual business support, mentoring, access to work spaces and related services.
- The **senior entrepreneurs** action addressed beneficiaries' needs through the creation of two transnational laboratories, designed as places for senior and junior entrepreneurs to network and exchange knowledge. The "Senior Entrepreneurship Manual of Good Practise" describes the opportunities on offer for senior entrepreneurs.
- The action on **entrepreneurship education** (EE-HUB.EU) addressed the needs of beneficiaries through the creation of a network and on-line platform for policy makers, experts and organisations active in the field, which allows participants to exchange information and ideas and to monitor progress. A comparative analysis of eight national strategies or measures for entrepreneurship education was also published. In addition, peer-learning activities were organised so that Member State authorities and other relevant stakeholders could share knowledge and good practice examples.
- The action on **early warning** established a support network to advise on issues relevant to financial difficulties and how best to approach such situations. The target groups include: (i) businesses that are still viable for restructuring, offering them survival advice or advice on how to go into an orderly and quick liquidation if survival is not viable; and (ii) honest bankrupt entrepreneurs embarking on a second start in business, inter alia to manage and restructure their debt, to facilitate their economic and social inclusion and support them in a 'second start'. The action is designed to establish a network of committed experts across Europe working together and providing support services to businesses in financial difficulties to address this need.
- The **support for entrepreneurship policy implementation** action addressed entrepreneurs' needs indirectly, by engaging key stakeholders with an influence over selected topics in conferences which dealt with the questions of finance, entrepreneurship motivation and failure. The stakeholders in attendance could subsequently effectuate policy implementation.

Figure 13 Overview of the direct and indirect target audiences of COSME entrepreneurship actions

Entrepreneurship support themes	Direct target audience	Indirect target audience
EYE	<ul style="list-style-type: none"> <li>• New / potential entrepreneurs</li> <li>• Host entrepreneurs</li> </ul>	
Digital entrepreneurship	<ul style="list-style-type: none"> <li>• Potential digital entrepreneurs</li> <li>• Mentors and business support organisations</li> <li>• Policy makers working with innovation and business development – national and EU level</li> <li>• Entrepreneurs and businesses working with innovations</li> </ul>	<ul style="list-style-type: none"> <li>• Potential digital entrepreneurs and businesses</li> </ul>
Women's entrepreneurship	<ul style="list-style-type: none"> <li>• Women entrepreneurs in all EU MSs</li> <li>• European network to promote women's entrepreneurship (WES)</li> <li>• Different European business support networks e.g. business angels</li> </ul>	<ul style="list-style-type: none"> <li>• National and regional business support organisations promoting women entrepreneurship</li> </ul>

Migrant entrepreneurship	<ul style="list-style-type: none"> <li>• Policy makers – national, regional and local administrations</li> <li>• Dedicated support organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Potential migrant entrepreneurs</li> </ul>
Senior entrepreneurship	<ul style="list-style-type: none"> <li>• Senior entrepreneurs</li> <li>• Young entrepreneurs</li> <li>• Experts and mentors</li> <li>• National support organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Potential senior entrepreneurs</li> </ul>
Entrepreneurship education	<ul style="list-style-type: none"> <li>• Policy makers – national, regional and local levels</li> <li>• MEPs</li> <li>• Industry and education experts</li> <li>• International organisations active in the field of entrepreneurship education</li> </ul>	<ul style="list-style-type: none"> <li>• Pupils and students</li> <li>• Educational institutions and educators</li> </ul>
Early warning/second starters	<ul style="list-style-type: none"> <li>• Business support organisations</li> <li>• Network of experts</li> <li>• Companies experiencing difficulties - businesses that are still viable for restructuring</li> <li>• Honest bankrupt entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>• Companies experiencing difficulties - businesses that are still viable for restructuring</li> <li>• Honest bankrupt entrepreneurs</li> </ul>
Other actions	<ul style="list-style-type: none"> <li>• EU, national and regional policy makers</li> <li>• Domain experts</li> <li>• EU and national level trade associations</li> <li>• Business support organisations</li> <li>• Social enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Entrepreneurs more broadly including specific target groups e.g. second starters</li> </ul>

Source: Technopolis, based on COSME Work Programmes and calls

The chosen implementation method has a major impact on the outreach, and therefore the group of stakeholders directly and indirectly engaged by the different entrepreneurship actions. Peer learning activities and conferences are commonly used to engage relatively small numbers of policy makers and experts of different domains, while addressing the needs of (potential) entrepreneurs requires measures with a wider outreach, such as operating online platforms to disseminate information or engaging networks of experts and support organisations to provide specific advice. For example, in the two months after the launch of the WEGate online platform for women entrepreneurs (see Appendix A), 340 stakeholders had subscribed to the tool and the website had received more than 20,000 visits.

The **EYE programme** also targets a large pool of stakeholders. The EYE database shows that 2,117 placements were undertaken in the 2014-2016 period (i.e. starting and concluding within these three years). This involved 2,117 New Entrepreneurs staying with 1,620 Hosts (of which 459 hosted one or more NE during the period).

As per the rules of the programme, these **New Entrepreneurs** have little or no experience of running a business. The majority (73%) have never run a business, while the remainder (27%) have somewhere between no and three years' experience. In fact, 7% of the entrepreneurs have no work experience at all. A further 39% have one to two years' work experience, while the remaining 54% have longer experience.

NE participants come from all EU28 Member States (plus 38 participants from nine other countries). The largest numbers come from Italy (454) and Spain (349), while only 13 participants came from Ireland, Denmark, Luxembourg and Malta combined. On average there are four participants for every one million people in the EU. There are a number of countries where the rate of participation is much higher, including Cyprus, Slovenia and Lithuania (all >20 NEs per million population). Rates of participation are lowest in Denmark and France (<1 NE per million population).

There is a near even split between male (47%) and female (53%) NE participants.

Table 26 EU28 geographical distribution of NE origins and HE locations (EYE placements, 2014-2016)

Country	Number of NEs	Population (m)	NEs per 1m population	Number of HEs
Cyprus	29	0.8	34.2	19
Slovenia	64	2.1	31.0	32
Lithuania	59	2.9	20.2	27
Latvia	37	2.0	18.6	15
Estonia	23	1.3	17.5	7
Slovakia	67	5.4	12.4	21
Croatia	41	4.2	9.7	18
Romania	152	19.9	7.7	17
Spain	349	46.5	7.5	256
Italy	454	60.8	7.5	210
Greece	74	10.8	6.8	50
Malta	2	0.4	4.7	11
Austria	38	8.6	4.4	52
EU28	2,025	511.4	4.0	1,593
Bulgaria	29	7.2	4.0	12
Czech Republic	41	10.5	3.9	17
Sweden	38	10.0	3.8	27
Luxembourg	2	0.6	3.6	2
Hungary	33	9.8	3.4	27
Belgium	35	11.3	3.1	93
Finland	17	5.5	3.1	7
Poland	117	38.6	3.0	32
Portugal	30	10.4	2.9	57
Netherlands	46	17.1	2.7	90
United Kingdom	85	65.1	1.3	198
Germany	103	82.3	1.3	182
Ireland	5	4.6	1.1	29
France	51	67.0	0.8	53
Denmark	4	5.7	0.7	32

Source: EYE database. NEs participating in placements that start and end in the period 2014-2016.

The findings of a 2013 statistical analysis<sup>25</sup> highlight that the EYE action is attractive for a wide range of entrepreneurs, offering the possibility to match Host Entrepreneurs and New Entrepreneurs in a very diverse spectrum of sectors, which mirror the EU-level landscape of enterprises. We find that the hosts during 2014-2016 were also located in a wide variety of sectors. Most common are:

- Advertising, promotion, printing, media and related products and services (218 hosts)
- Education and training services (184 hosts)
- Architectural, construction, engineering and inspection services (165 hosts)
- IT, office and communication equipment, services and supplies (145 hosts)
- Hotel, restaurant, tourism, travel services and wellness (119 hosts)
- Legal, fiscal and other consultancy services (116 hosts)

All EYE participants were asked whether they were aware of any particular **gaps** in the types of New Entrepreneur or Host organisations participating in the programme. The majority could not point to any specific gaps in the types of participants. However, some concerns were raised by a small number of respondents (5-10 in each case) about some New Entrepreneurs being insufficiently skilled to benefit from the programme, and about some Host organisations being more interested in accessing additional labour than in providing training and mentoring.

Respondents also suggested that some potential New Entrepreneurs might face barriers to participating in the programme because of issues relating to finances and language

<sup>25</sup> Technopolis Group: Statistical Analysis of the Erasmus for Young Entrepreneurs Programme, Final Report for the European Commission, 2014

capabilities, while potential hosts might be dissuaded from participating because of a lack of clarity about EYE's purpose or a lack of knowledge of the scheme more generally. In this regard it is interesting to note that most Host Entrepreneurs (41%) first heard about the EYE programme through a friend or colleague, rather than through a business support organisation or official programme publicity.

#### *4.2.2 The policy mix*

The lack of a formal '**entrepreneurship**' sub-programme management or coordination structure means the balance of effort and funding across the portfolio (and whether this is optimised) does not seem to receive sufficient consideration. There is no obvious mechanism available that facilitates assessing whether the current portfolio of actions, or the prioritisation between them, is the most appropriate for addressing the broad set of needs and issues that have been identified in relation to entrepreneurship. While the COSME programme committee has a role to play in ensuring such prioritisation and optimisation, it inevitably operates at the overall programme level, and therefore may not be able to devote this level of attention to detail to the smallest COSME sub-area.

The lack of coordination raises the question of optimisation of resources. There is a relatively small COSME budget available for entrepreneurship actions (4% of the overall programme), and the majority of this resource is allocated to one particular scheme (EYE accounts for two-thirds of entrepreneurship funding). This means that many of the remaining individual actions are small in scale and often one-off (at least in the short term). One could take any of the current focal areas, e.g. senior entrepreneurs or migrants, and achieve more through increased budget allocation. However, this would have to be compensated for by reducing the available resources for other actions. With the exception of the EYE programme, this would probably imply removing the action altogether. Any re-prioritisation or trade-off between breadth and depth/scale would therefore need careful consideration.

## 5 EFFICIENCY

This section examines the costs, affordability and cost-effectiveness of the EYE programme from the perspective of its beneficiaries, before looking at the management of this programme by intermediaries and aspects of data management and monitoring activity related to the programme.

### 5.1 Costs for implementation

#### 5.1.1 Costs for the direct beneficiaries

##### *Administrative costs for the stakeholders directly involved*

Host Entrepreneurs (who do not receive any funding from the **EYE programme**) were asked to estimate the financial costs incurred as a result of hosting a New Entrepreneur, including any costs incurred before, during or after the exchange. Only 118 of the responding hosts provided an estimate, and these ranged from €0 (quoted in 20% of cases) to €12,000.<sup>26</sup> However, on average (mean), the costs to a Host Entrepreneur were €1,400 per placement. With 2,117 placements completed during the 2014-2016 period, we estimate total costs to Host Entrepreneurs of €2.98 million.

In a similar vein, Hosts were asked to estimate the total amount of time involved in hosting a New Entrepreneur, including any effort expended on administration, preparation and feedback. The 159 hosts responding to this question quoted figures between two and 200 days of effort per placement. However, in most cases (85%), Hosts reported 50 days or less of expended effort, and on average (mean) the cost to a Host Entrepreneur was 32 days per placement. We therefore estimate the total effort expended by Host Entrepreneurs during the 2014-2016 period to be around 68,500 days. Using average wages in the EU (€135.20 per day)<sup>27</sup> we can estimate the monetary value of this effort to be €9.25 million.

New Entrepreneurs do receive programme funding to cover certain travel, accommodation and other costs during their placement. However, our survey suggests that this is often not entirely sufficient to cover costs during their stay. Around half reported that the EYE grant was 'mostly' or 'entirely' sufficient to cover these costs, but 38% stated that it was only partly sufficient and 10% said it was not sufficient at all.

As such, New Entrepreneurs were similarly asked to estimate the additional financial costs that they incurred before, during and after their stay abroad (excluding those costs covered by their EYE grant). A total of 303 individuals offered a response, with figures ranging from €0 to €10,000.<sup>28</sup> The average (mean) response of €1,060 per participant allows us to estimate that the total additional financial costs to New Entrepreneurs across the whole 2014-2016 period reached €2.25 million.

These New Entrepreneurs were also asked to estimate the number of days of effort they expended in relation to the EYE programme before and after (but not during) their stay abroad, for example on administration, preparation and feedback activities. Some 422 responses were received, with an average of 20 days quoted. We have therefore estimated the total additional effort expended by New Entrepreneurs to be around 42,300 days, which equates to €5.72 million in monetary terms.

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<sup>26</sup> This excludes a single outlier of €50,000.

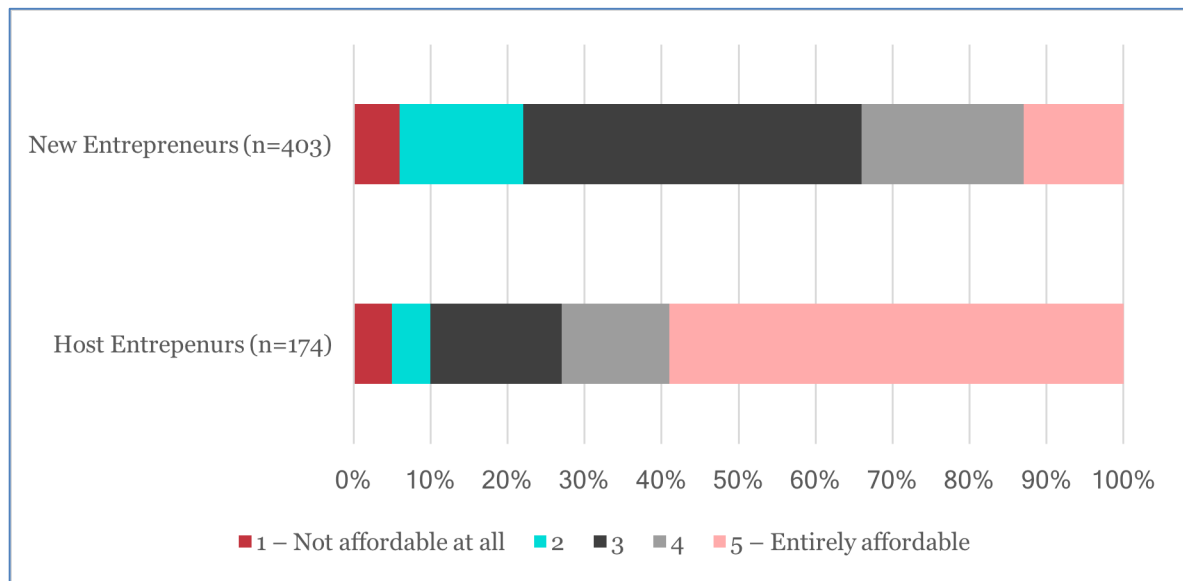
<sup>27</sup> Average EU hourly wage, plus non-wage labour costs and 25% overhead calculated to be €16.90. Commission figures, based on ESTAT: Structure of Earnings Survey. 8 hour working day assumed (€16.90 x 8 = €135.20).

<sup>28</sup> This excludes a single outlier of €25,000.

### Affordability of the administrative costs

Both the Host and New Entrepreneurs participating in the **EYE programme** were asked to assess the extent to which the additional costs they incurred were affordable, using a five-point scale (from 1 – not affordable at all, to 5 – entirely affordable). As can be seen in the figure below, most Host Entrepreneurs found the additional costs to be entirely affordable, while the New Entrepreneurs tended to be a little less enthusiastic in their assessment. In fact, nearly a quarter gave a rating of 1 or 2, suggesting that the additional costs (estimated above to be around €1,000 and 20 days' effort per placement) are considered not very affordable in these cases.

Figure 14 To what extent were the additional costs affordable? - EYE



Source: EYE New and Host Entrepreneur Surveys. Excludes non-respondents to this question

### Simplification measures

No specific simplification measures were reported for EYE. Few EYE Host Entrepreneurs could suggest any means by which to simplify procedures and reduce additional burdens on their organisation. However, a small number (9) suggested that the selection and matching process could be overly burdensome and might be streamlined or simplified in some way. A similar number of New Entrepreneurs highlighted the matching process as being in need of simplification. Several also suggested the EYE website could be made more user friendly and that administrative requirements more generally might be reduced.

## 5.2 Cost-Effectiveness

Participants in the EYE programme were asked to assess how the costs and benefits of the scheme compared from different perspectives (for Hosts, for New Entrepreneurs and overall). In each case (see table below) the assessment was positive, with an average score of around 4 (equivalent to benefits somewhat outweighing the costs). A much higher proportion of hosts felt that the benefits to their organisation had outweighed the costs, rather than the other way around (69% vs 11%). Similarly, a much higher proportion of New Entrepreneurs felt that the benefits to them had outweighed the costs, rather than the other way around (67% vs 8%).



Table 27 In your opinion, how did the benefits and costs of the EYE exchange compare?

Host Entrepreneur assessment (n=179-181)	1 – Costs greatly outweigh benefits	2	3 - Costs are equal to benefits	4	5 – Benefits greatly outweigh costs	Average
For your organisation (Host)	5%	6%	20%	27%	42%	4.0
For the New Entrepreneur	2%	2%	16%	32%	48%	4.2
Overall	3%	3%	20%	30%	44%	4.1
New Entrepreneur assessment (n=429-491)	1 – Costs greatly outweigh benefits	2	3 - Costs are equal to benefits	4	5 – Benefits greatly outweigh costs	Average
For you (NE)	4%	4%	25%	37%	30%	3.9
For your Host	2%	2%	16%	33%	47%	4.2
Overall	3%	2%	23%	39%	33%	4.0

Source: EYE New and Host Entrepreneur Surveys. Excludes non-respondents to this question.

### 5.3 Efficiency of the management processes

#### 5.3.1 Programme management by the intermediaries

New Entrepreneurs participating in the EYE programme were asked to assess their satisfaction with various aspects relating to the management and administration of the scheme, as well as the support and assistance that was provided at different stages in the process. As the table below shows, most were broadly satisfied across all of the aspects covered by the survey, including the timing and administration, as well as the support and assistance that was provided by intermediary organisations at different stages. The highest occurrences of dissatisfaction (though only reported by a minority) relate to the financial administration of grants and the length of time between first applying and starting a placement.

However, when asked to suggest particular aspects of the various processes that could be simplified or made more efficient, the majority of New Entrepreneurs could not suggest anything. The suggestions that were put forward by a small number of individuals focused on a reduction in the complexity of registration and associated paperwork (though without more specific suggestions), the need for a more user-friendly programme website, and (more generally) clearer information and more support.

Table 28 How satisfied were you with the following (New Entrepreneurs)?

Satisfaction with administrative aspects	Very satisfied	Satisfied	Dissatisfied	Very dissatisfied	n
The online registration tool	23%	62%	11%	4%	582
The financial administration of your EYE grant	28%	53%	13%	6%	583
The time between first applying to EYE and the start of your stay abroad	25%	55%	14%	6%	582
Satisfaction with support and assistance offered by intermediary organisations	Very satisfied	Satisfied	Dissatisfied	Very dissatisfied	n
During the application stage (online registration)	53%	41%	4%	2%	583
During the matching stage (identifying a host organisation)	44%	45%	8%	3%	583
During the contracting and preparation stage (planning for the exchange)	49%	42%	5%	3%	582
During your stay abroad	50%	39%	7%	4%	583

Source: EYE New Entrepreneur Survey. Excludes non-respondents to this question

Host Entrepreneurs were also asked to assess their satisfaction with a similar list of management and administration related aspects of the programme. They were generally satisfied across all aspects. However, we should note the not-insignificant proportion of respondents (17%) who are very dissatisfied with both the online registration tool and the time taken to arrange an exchange. When asked to suggest particular aspects of these various processes that could be simplified or made more efficient, the majority of

Host Entrepreneurs could not suggest anything. The suggestions that were put forward focused on improvements to the website and online platform, improvements to the matching process and improved communication with intermediary organisations. However, in each case, the responses provided general calls for improvement, rather than offers of specific solutions.

Table 29 How satisfied were you with the following (Host Entrepreneurs)?

Satisfaction with administrative aspects	Very satisfied	Satisfied	Dissatisfied	Very dissatisfied	n
The online registration tool	18%	57%	8%	17%	235
The time taken to arrange an exchange	13%	65%	5%	17%	231
Satisfaction with support and assistance from intermediary organisations	Very satisfied	Satisfied	Dissatisfied	Very dissatisfied	n
During the placement	45%	49%	4%	3%	234
During the application stage (online registration)	38%	53%	6%	3%	236
During the matching stage (identifying a New Entrepreneur)	37%	52%	9%	2%	235

Source: EYE Host Entrepreneur Survey. Excludes non-respondents to this question.

### 5.3.2 Overall data management and monitoring capacity

The COSME work programmes (WPs) contain various information on the intended activities and expected outcomes / results for each entrepreneurship action, as well as a number of key performance indicators that might be measured. For the Erasmus for Young Entrepreneurs (EYE) programme, the WPs set out five main and three longer-term indicators for the scheme, as well as some indications of the scale of ambition. These indicators are summarised in the table below.

Each of the programme's indicators is 'SMART'<sup>29</sup> and, between them, they cover various aspects of the activities, outputs and outcomes of the programme. However, the focus is very much on the implementation of the programme (e.g. immediate activities and outputs such as registrations and matches), rather than the longer-term ambitions of the schemes (their objectives and expected results / outcomes). The long-term indicators do begin to address these wider aims (e.g. the number of resulting joint projects / cooperation agreements may provide a useful KPI in relation to the objective of intensifying networking and businesses relationships), but these provide only partial coverage of the programmes main objectives. In addition, there is no information given on the intended means of measuring progress against these indicators (e.g. the tools to be deployed and how, for instance, programme attribution will be addressed in relation to jobs and start-up creation).<sup>30</sup>

<sup>29</sup> Specific, Measurable, Achievable, Relevant and Time-bound

<sup>30</sup> The 'Statistical analysis of the Erasmus for Young Entrepreneurs Programme' (Technopolis, June 2014) looked at this issue further and set out various ideas for improving the long-term monitoring and measurement of indicators relating to the achievements of the programme.

Table 30 KPIs for the EYE programme set out within COSME work programmes 2014-2016

Indicator	2014 WP: By Jan 2017...	2015 WP: By Jan 2018...	2016 WP: By Jan 2019...
1. Number of entrepreneurs registered for the programme	~2,000 entrepreneurs registered	~2,000 entrepreneurs registered	~5,500 entrepreneurs registered
2. Number of relationships achieved	~650 exchanges matched. Rate of successful exchanges above 90%.	~650 exchanges matched. Rate of successful exchanges above 90%.	~2,400 exchanges matched. Rate of successful exchanges above 90%.
3. Number of IOs involved in the implementation of the programme	~100 IOs involved in the implementation of the programme	~100 IOs involved in the implementation of the programme	~120 IOs involved in the implementation of the programme
4. Number of countries covered by the IOs	At least 25 countries covered.	At least 25 countries covered.	At least 28 countries covered.
5. Index of satisfaction of the participants			
<b>Long term Indicators:</b>			
6. Number of resulting joint projects/cooperation agreements			
7. Number of jobs created			
8. Number of start-ups created			

Source: Technopolis, based on COSME Work Programmes 2014, 2015 and 2016

Since 2014, the management of EYE has been delegated to EASME, which have then established a service contract with Eurochambres to provide an EYE support office. The role of this office was to assist EASME and the European Commission in the day-to-day management of the EYE programme, coordinating the activities of the European Partnerships (EPs) and Intermediary Organisations (IOs), monitoring performance, and contributing to promotion and communication activities.

As part of the service contract, the support office was required to report on its own activities through interim and final reports, as well as provide reports every six months on the performance of the individual EPs/IOs. Feeding into this process, each EP was required to provide reports every six months to Eurochambres on the activities of their consortia. These reports set out details of progress against the work packages and targets established in individual grant agreements and formed the basis of the summary document then submitted by the EYE support office to EASME.

A centralised database is also maintained that contains various information on all European Partnerships, Intermediary Organisations and registered Host and New Entrepreneurs, as well as details of the matching process and exchanges undertaken. These data are continuously updated and provide a rich source of information on activities and participants in the programme. For instance, for a given period the data allow calculation of the number of applications, the number of completed relationships, the countries involved in exchanges, and the utilisation of EP budgets, etc.

In 2013 a statistical analysis of EYE<sup>31</sup> was commissioned, covering the first five years of the programme. This analysis aimed at examining the performance of the programme in terms of reaching its goals through a survey of EYE participants (Hosts and New Entrepreneurs). The results of this study complemented existing monitoring data by providing evidence on the experiences, benefits and outcomes realised by those participating in the programme.

<sup>31</sup> Statistical Analysis of the Erasmus for Young Entrepreneurs (EYE) Programme (Technopolis, 2014)

Drawing on these monitoring activities, the 2014 and 2015 COSME monitoring reports (MR) contain summary information on some of the outputs/outcomes realised by the EYE. In particular, they provide updates on the number of entrepreneurs registered (KPI 1 in the table above), the number of matches established (KPI 2), the number of IOs involved (KPI 3) and countries they cover (KPI 4). They also present selected evidence from a 2013 survey of participants on the proportion reporting that they had hired new staff (KPI 7) or had started a business (KPI 8) after their exchange, as well as other feedback on benefits realised. KPI 5 and KPI 6 are not really addressed in the monitoring reports, although evidence is available on these indicators in the report published on the results from the 2013 survey of participants.

## 6 COHERENCE

This section explores the internal and external coherence of COSME entrepreneurship actions, including activities and processes aimed at ensuring or improving coherence.

### 6.1 Internal coherence

#### 6.1.1 Internal coherence in the thematic area

Based on the document review and interviews carried out with the Commission officials and EASME project officers regarding the **entrepreneurship actions** during the 2014-2016 period of COSME, we have concluded that the portfolio is coherent. All of the implemented actions align with and support higher-level policy priorities and objectives, including those of the Entrepreneurship Action Plan 2020<sup>32</sup>, the Single Market Strategy<sup>33</sup> and the Small Business Act for Europe.<sup>34</sup> The different actions also contribute (to differing extents) to the three main sub-objectives for COSME entrepreneurship, as well as to the overarching objective of promoting entrepreneurship and an entrepreneurial culture, further ensuring coherence across the portfolio.

No specific overlaps have been identified between individual COSME entrepreneurship actions. Similar instruments are used across the portfolio (e.g. the collection and dissemination of good practice, or the provision of advice and mentoring), but in each case the action is strongly focused and tailored to a specific target group or situation (e.g. networking between senior entrepreneurs, or between entrepreneurship education practitioners). There is therefore no obvious duplication.

The distinction between different actions in the portfolio is further demonstrated by the variety of implementing and participating stakeholders. While there are a small number of crossovers between actions or stakeholders involved in the implementation – e.g. the South East European Centre for Entrepreneurial Learning (SEECLE) acts as an advisor for both the actions on entrepreneurial education and women’s entrepreneurship - such examples are limited and result from the need to engage large international membership-based organisations to enhance the impacts generated from the limited funding available. Overall, the overlap between stakeholders across the portfolio has been minimal, since most actions call for the engagement of a specific group of partners with specialist fields of expertise.

One could argue that there are crossovers between the specific groups being targeted by different actions. For instance, senior entrepreneurs may be female, while New Entrepreneurs may be migrants, just to mention two examples. However, the distinct intentions and activities of the different actions suggest that there is no incoherence or unnecessary overlap between the actions as a result.

Within the programme period assessed, there are only a small number of COSME entrepreneurship actions that are closely related with each other (the three EYE programme actions, the two digital entrepreneurship actions and the two women’s entrepreneurship actions). Some of these are follow-on initiatives to earlier actions, building on and learning from the predecessor activities. Otherwise the actions within this portfolio are each distinct entities that relate to activities in previous programmes or to measures outside of COSME, and not to each other. Each also targets a different area of entrepreneurship or a different type of entrepreneur. As a result, there are few synergies to be realised between the different COSME actions.

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<sup>32</sup> <http://ec.europa.eu/growth/smes/promoting-entrepreneurship/action-plan/>

<sup>33</sup> [http://ec.europa.eu/growth/single-market/strategy\\_en](http://ec.europa.eu/growth/single-market/strategy_en)

<sup>34</sup> [https://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act\\_en](https://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act_en)

As highlighted above, the specific tools deployed by different actions in the portfolio represent crossovers. This is an area where greater synergies could be realised, in the sense that the learning and experience gained from implementation in one area (e.g. of the development of a good practice dossier) might benefit future implementation of a similar tool in another. It is not clear that there is sufficient interaction between the oversight and management structures of the different actions to fully realise such learning benefits at present.

#### *6.1.2 Coherence of the communication instruments*

There are several **entrepreneurship** actions that might be considered communication instruments, or which include such elements within the main tools deployed. These include:

- The women's entrepreneurship e-platform (WEgate)
- The digital entrepreneurship awareness raising campaign (events, digital media, etc.) and monitor (online portal of statistics, initiatives, reports, etc.)
- The senior entrepreneurship good practice manual
- Conferences on liberal professions, second chances and transfers of business

Links to these various online portals and information can all be found through the DG Grow 'promoting entrepreneurship' webpages. However, there is no obvious interaction between the different communication instruments themselves. There would appear to be scope for greater cross-referencing by the different communication activities (e.g. promotion and awareness raising of other actions or the entrepreneurship portfolio as a whole).

#### *6.1.3 Coherence in the programme*

The COSME programme addressed its three broad entrepreneurship sub-objectives (improving framework conditions, facilitating exchanges of experience and learning, and increasing outreach and promotion of entrepreneurship), while also targeting a range of priority groups and areas (seniors, women, migrants, entrepreneurship education, etc.), all within a relatively small portfolio of actions (13 actions in the 2014-2016 period) and with a relatively limited budget. Through the choice of actions, it has been able to take a holistic approach to promoting and supporting entrepreneurship in Europe, contributing to addressing the variety of needs and priorities that have been identified.

#### *6.1.4 Coordination processes*

As already discussed there is no formal structure or process for the design of the entrepreneurship portfolio as a whole. Actions have different origins and are managed across multiple policy officers and units, with only informal and unstructured interaction across the actions. As such, there is no obvious coordination between individual actions. This may not be a major problem, given the distinct nature of the different actions; however, we believe important learning opportunities are missed out on due to the lack of coordination regarding implementation tools and experiences.

More importantly, due to the lack of a formal 'entrepreneurship' sub-programme management or coordination structure, the balance of effort and funding across the portfolio (and whether this is optimised) does not seem to receive sufficient consideration. There is no obvious mechanism to consider whether the current portfolio of actions, or their prioritisation, is the most appropriate to address the broad set of needs and issues that have been identified in relation to entrepreneurship. While the COSME programme committee has a role to play in ensuring such prioritisation and optimisation, it inevitably has to operate at the whole programme level, therefore may not be able to devote this level of attention to detail for the smallest COSME sub-area.

## 6.2 External coherence with other EU initiatives and programmes

### 6.2.1 Coherence with EU initiatives

In the context section of this report we showcased a number of EU measures that seek to promote and support entrepreneurship, and that are of relevance to the entrepreneurship actions funded through COSME. However, whilst there is alignment of overall objectives and intentions with these actions, there are no evident issues of overlaps.

For example, while the **ERASMUS+ programme** incorporates various European mobility schemes that provide opportunities to study, train, and gain work experience abroad, its entrepreneurship-related activities have a very different focus compared to the EYE programme or the entrepreneurship education network activities funded through COSME. The Erasmus+ Knowledge Alliances (funded under key action 2 – cooperation for innovation) seek to stimulate entrepreneurship and entrepreneurial mindsets, but through enhancing long-term cooperation between HEIs and enterprises (through e.g. field visits and exchanges of students/academic staff and company staff). Strategic alliances (also key action 2) also seek to foster entrepreneurial spirit among young people, but do so through transnational initiatives (e.g. networks) involving groups of young people from different countries.

Similarly, while the **EU Programme for Employment and Social Innovation (EaSI)** seeks to encourage entrepreneurship amongst vulnerable groups (including migrants), it does so through providing microcredit and microloans to set up businesses. By comparison, the COSME action seeks to bring together relevant players at national and regional levels into transnational networks to work together and exchange experience on what is effective in terms of migrant entrepreneur support schemes.

## 6.3 External coherence with national programmes

### 6.3.1 Coherence with initiatives in the Member States

Across the portfolio of COSME entrepreneurship actions, there are several examples of good practice regarding coherence with national programmes. It is an important feature of most COSME-funded actions in the field (except for the EYE programme) that they aim to bring together national stakeholders and initiatives that are engaged in the promotion of the relevant subject field (but where currently these efforts are often fragmented), thereby creating coherence between national and European level efforts. For example:

- There are many examples of national programmes that have been around for a relatively long time, for example initiatives fostering senior entrepreneurship. The Senior Entrepreneurship Good Practise Manual, which was the main output of the relevant COSME action, is a composite of such national practices.
- The action on entrepreneurship education has the ultimate objective of providing young people with the necessary skills to succeed as an entrepreneur. There are a vast range of programmes available at national level targeting students of all ages to develop their soft skills and entrepreneurial mindset. The COSME action tries to ensure coherence with selected national initiatives, using peer learning as a core part of its activities, combined with a working group on national policies.
- Peer learning, engaging national, regional and local administrations, is also an important element of the action on migrant entrepreneurship. Such engagement helps develop and implement a portfolio of activities with enhanced external coherence over time.
- Ensuring links with national programmes and initiatives is at the core of the actions on women's entrepreneurship, because the actions are aimed at developing a one-stop-shop for available entrepreneurship support and advice programmes at national level in Europe. As the case study in Appendix A shows, the website provides clear

links with other Commission-supported tools, as well as hundreds of links to country-specific information and support organisations across Europe.

- The action on the European network for early warning and for support to enterprises and second starters has very explicit links established with national initiatives. The network is expected to be based around the existing practices of several initiatives of EU Member States, including the Danish Early Warning Scheme, the support services of BECI in Brussels, Tussenstap in Flanders, FADE in Asturias/Spain and Anonyme Insolvenzler in Germany.

### 6.3.2 *Processes aiming at coherence*

The process for ensuring coherence varies according to the action in question. The main difference is linked to the maturity of the topics addressed which can influence the “direction” of coherence created between the COSME actions and national initiatives. In newer, emerging areas (e.g. migrant entrepreneurship), COSME actions can take a leading role in driving further (coherent) national efforts. In more established areas (e.g. entrepreneurship education) COSME tries to ensure coherence with (and between) the well-developed national initiatives that are already in place.



## **7 EU ADDED VALUE**

This section assesses the EU added value of COSME entrepreneurship actions, including their importance and additionality at EU level and the ongoing need for further action going forward.

### **7.1 Added value of the programme**

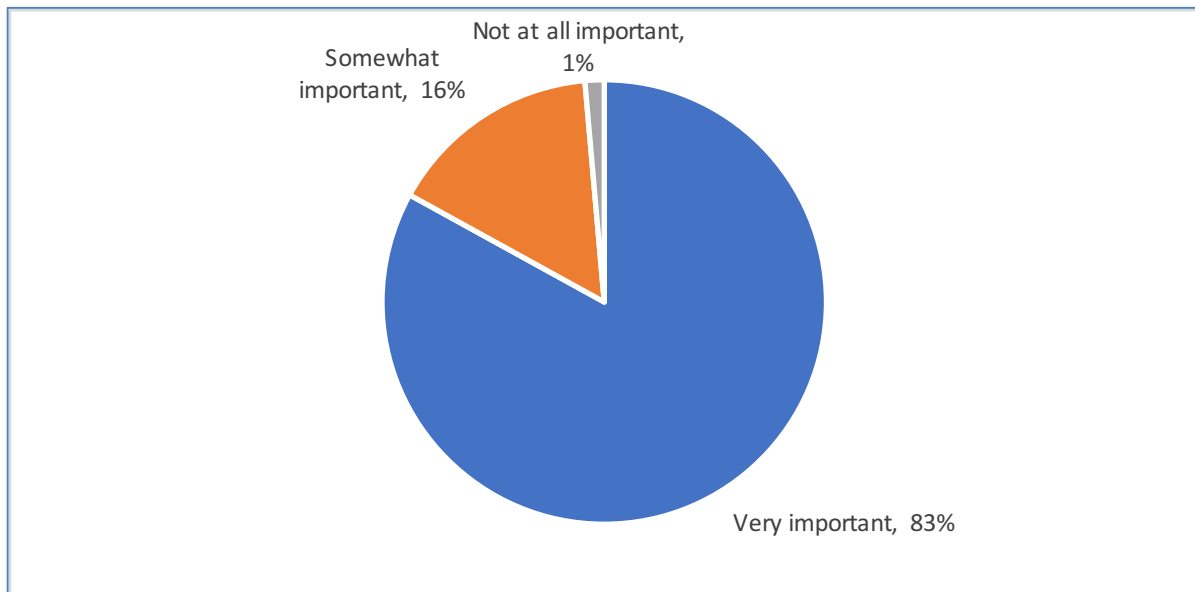
#### *7.1.1 Importance of action at EU level*

The COSME entrepreneurship actions account for a small proportion of the overall budget, and consist mainly of small-scale, often one-off, activities (though with clear links to other activities, past and present). The final evaluation of CIP looked at the contribution of the many smaller scale actions that had been funded under that programme – many of which were funded under Objective E (promoting an entrepreneurship and innovation culture) and have an evident legacy in the entrepreneurship actions that have since been funded through the COSME programme. While this study noted concerns about managing a large number of small activities, it also identified positive contributions from these actions to the overall coordination and impact of the programme as a whole. Within the COSME programme we also see these smaller actions going further, in that they deliberately seek to complement, stimulate and leverage action at national level, thereby ensuring EU added value by the synergies they create.

Much of the COSME entrepreneurship budget is spent on the EYE programme rather than on the smaller actions. The EYE scheme is much larger in scale, with more ambitious aims. It also has a strong EU cross-border remit and objectives. For instance, it seeks to enable mobility throughout Europe, matching entrepreneurs with hosts who could not necessarily be found locally, and offering opportunities to learn about other business settings and cultures, share ideas, and meet business contacts from other parts of the Single Market. It also does so at a scale that would be impossible to achieve at national level, but which is necessary to undertake in order to make inroads to dealing with the relatively low levels of entrepreneurial capacity in Europe. This particular programme therefore has a clear added value in that it can more effectively address EU-level needs, issues and objectives.

In addition, Host and New Entrepreneurs who have participated in the EYE programme were nearly unanimous in their belief that the EYE scheme should continue in the future. Indeed, the vast majority of both groups (84% of Host Entrepreneurs and 83% of New Entrepreneurs) stated that this was 'very important', based on their direct experience of the scheme, as well as their understanding of other similar initiatives that exist. Just 10 of the more than 500 individuals consulted felt that it was not important that the programme be continued, providing overwhelming evidence from the target stakeholders of both ongoing needs and the perceived value of the EU programme to addressing these needs.

Figure 15 How important is it that the EYE programme continues? (n=513)



Source: EYE New and Host Entrepreneur Surveys. Excludes non-respondents to this question

### 7.1.2 Additionality

The Commission Green Paper on Entrepreneurship in Europe<sup>35</sup> called for a more coordinated approach to entrepreneurial policy and increased learning (i.e. from good practice) between Member States, with the European Commission assuming a coordinator role at the EU level.

At the national / local level there are many different types of interventions designed to promote entrepreneurship and early stage start-ups. These include financial assistance, mentoring and advisory services, specialised support, incubators, and so on. However, it is an important feature of most of the smaller COSME-funded entrepreneurship actions that they aim to bring together national stakeholders and initiatives that are engaged in the promotion of the relevant area of entrepreneurship (but where currently these efforts are often fragmented), thereby creating coherence between national and European level efforts. In newer, emerging areas (e.g. migrant entrepreneurship), COSME actions are taking a leading role in driving further (coherent) national efforts, while in more established areas (e.g. entrepreneurship education) COSME tries to ensure coherence with (and between) the well-developed national initiatives that are already in place.

The EU level actions have therefore not only been additional to, but also help to enhance national, regional and local level efforts.

## 7.2 Ongoing need for action at the EU level

The Commission has repeatedly highlighted the importance of entrepreneurship (e.g. in its 2003 Green paper)<sup>36</sup> for unlocking personal potential and supporting competitiveness, job creation and growth in Europe. However, there clearly remains substantial room for further improvement, with data persistently showing relatively low levels of entrepreneurial interest and activity, as well as high rates of failure and slow rates of growth amongst newly established firms.

<sup>35</sup> Green Paper – Entrepreneurship in Europe. COM(2003) 27 final

<sup>36</sup> Green Paper – Entrepreneurship in Europe. COM(2003) 27 final

The promotion of entrepreneurship was a main priority within the Small Business Act for Europe (2008), which called on the EU and the Member States to better foster entrepreneurial interest and talent within different groups (including young people, women and immigrants) by making people more aware of self-employment as an attractive career option, and by providing them with the necessary education and skills to turn their ambitions into successful ventures. It also called for greater cooperation and networking between entrepreneurs, as well as efforts to ensure that honest entrepreneurs can get a second chance after bankruptcy.

Against this backdrop, the overarching aims for COSME entrepreneurship - to improve framework conditions, facilitate learning and exchanges of experience and to promote entrepreneurship and entrepreneurial culture – continue to be entirely appropriate.

## 8 CONCLUSIONS AND RECOMMENDATIONS

### 8.1 Conclusions

#### 8.1.1 On Relevance

Over the past decade, policy and strategy documents have consistently highlighted the importance of entrepreneurship to Europe, as well as the gaps and challenges faced in realising its full potential. They have also emphasised the need for instruments to improve the flow of information (overcoming network failures), create better informed stakeholders (overcoming information asymmetries), and increase entrepreneurial skills, knowledge and capabilities (addressing infrastructural and capability failures). Our survey of entrepreneurs confirmed the **continued and widespread existence of market and systemic failures** in this area (obstacles to setting up a business, new businesses struggling to survive and grow, and a lack of effective entrepreneurship policy support), as well as an ongoing lack of entrepreneurial culture, weak entrepreneurial spirit and low levels of firm creation across Europe.

In line with the identified needs and priorities, COSME identified the promotion of entrepreneurship and entrepreneurial culture as one of the core objectives for the programme and it set out to improve framework conditions for the development of entrepreneurship, facilitate learning and exchanges of experience and to promote entrepreneurship and entrepreneurial culture to specific groups.

Despite the relatively small budget of the entrepreneurship element of COSME (4%), it funded 13 actions over a three-year period, covering a range of different measures in an effort to address these different objectives, and in relation to a variety of target groups. The portfolio of funded entrepreneurship actions included information and awareness-raising measures, several portals and support services, the development of analytical tools and evidence-collection mechanisms, networks to share knowledge and practices and strategic intelligence platforms, as well as measures to develop entrepreneurial human capital. Amongst these was the Erasmus for Young Entrepreneurs (EYE) programme – which was by far the largest action funded in the period (accounting for 65% of the entrepreneurship budget).

These **actions take a holistic approach to addressing relevant needs and issues**. As a portfolio (often even as individual actions) they seek to achieve a combination of things:

- Increasing outreach and promoting entrepreneurial culture and spirit
- Fostering entrepreneurial attitudes, mindsets, skills and capabilities
- Improving framework conditions and reducing obstacles to the development of entrepreneurship
- Facilitating exchanges of experience and learning for entrepreneurs and relevant stakeholders
- These ambitions align closely with the EU2020 priority of inclusive growth, by improving relevant skills and increasing employment, including particular targeting of women, young people and older workers. In addition, the actions ultimately aim at increasing levels of firm creation, performance and survival, thereby contributing to the growth and competitiveness of EU SMEs and the economy more generally.

The Work Programmes provide only limited insight into the rationale (issues, problems and needs) underlying the choice of specific actions planned, and the main justification (as stated) is often a lack of similar activity existing, rather than explaining why such an activity is necessary at all (i.e. what the evidence is of needs). However, based on a review of relevant documents and information, we have been able to retroactively provide a justification and reasoning for each of the individual actions, showing evidence of relevant needs, as well as past activities and learning that have led to their inclusion in

the work programme and contributed to the design of an action that is aligned with the identified needs and priorities.

It is evident that the COSME entrepreneurship actions are in accordance with recent high-level policy objectives and priorities relating to entrepreneurs. Over the short time period in scope for this evaluation (2014-2016) it would be difficult to make significant adjustments in the direction of the COSME programme to reflect the simultaneous evolution of policy priorities. However, despite this, **the portfolio of entrepreneurship actions funded in the period have achieved a high level of policy relevance.** There are also indications (with the inclusion of actions on migrant entrepreneurship support and networks for support to second starters in the 2016 COSME Work Programme) that over time the programme has the flexibility to address high priority topics that emerge.

### *8.1.2 On Effectiveness*

We have assessed the **progress of COSME entrepreneurship actions towards achieving intended objectives**, focusing particularly on the EYE programme, but also considering the wider portfolio of funded actions. Given the scope of the evaluation (COSME actions funded between 2014 and 2016), many of the relevant actions had only recently been implemented. As such, much of the evidence at this stage relates to the outputs and short-term outcomes realised (or expected) from these activities. However, there are also some early indications of wider results from the programme.

There are various knowledge and learning outputs emerging from the entrepreneurship actions. This includes the creation of an online platform, a website and an expert network, the organisation of a number of workshops, conferences and outreach events, training / mentoring sessions and online courses, plus over 3,300 placements in companies, the delivery of support services and new schemes. Focusing on the EYE programme, we used a survey of all New and Host Entrepreneurs (NEs/HEs) to gather evidence of the outputs and outcomes realised by these participants, and then extrapolated from this feedback to provide estimates for the entire population of 2014-2016 programme beneficiaries. For example, we estimate that around 1,800 NEs have improved their management and technical skills during the 2014-2016 period as a result of EYE, while between one and two thousand NEs have improved each of various other business skills (marketing, administration, finance). In addition, nearly all participants said that their EYE experience had improved their understanding of the challenges that might face an entrepreneur, as well as possible strategies for avoiding or overcoming these. We also estimate that nearly 1,500 businesses (HEs) have been helped through EYE to improve internal training and mentoring skills, which is likely to bring longer term benefits through future staff development.

The main cooperation and network-related outcomes from the entrepreneurship portfolio flow from the EYE programme, which has an explicit aim to intensify business relationships and lay the ground work for further cooperation and internationalisation. Most of the NEs consulted by the study still have some contact with their host, even though the placement has ended, and we estimate that 1,107 NEs across the 2014-2016 period have maintained reasonably regular contact with their HEs. In fact, many of the ongoing HE-NE relationships involve formal business cooperation arrangements. For instance, we estimate that 315 HEs are now employing an entrepreneur they hosted, while 212 NEs are acting as an agent for their EYE host, and 191 have entered into a joint venture. Others are buying from/selling to their host, hold licencing agreements or engage in other forms of business cooperation.

The main innovation-oriented outputs for entrepreneurship actions relate to market intelligence or business networking activities, platforms and tools. For instance, we estimate that as a result of the EYE programme, over 1,000 individuals were given the opportunity to undertake market research and develop new business opportunities, meet customers and suppliers and attend business-related events. EYE has also brought

immediate direct effects for Hosts, in terms of supporting innovation within their business. We estimate that 1,268 companies have benefited from an NE working on concrete projects within their firm, while 1,082 have benefited from the NE undertaking market research and developing new business opportunities. Three-quarters of hosts also reported being introduced to potential partners or collaborators, while others had been introduced to potential buyers or suppliers.

The main policy outputs from entrepreneurship actions include several reports and studies and a website providing information on national policies and practices, as well as various good practice compendiums or guides relating to entrepreneurial policies and support measures, plus a number of events (conferences, workshops) involving stakeholders sharing experiences in order to arrive at a more coherent, consistent or unified European vision, policy or approach.

The **EYE programme's wider objectives** mainly relate to capacity enhancement (managerial, entrepreneurial and internationalisation capacity) amongst NEs, through on-the-job learning and coaching, awareness raising and networking experiences involving more experienced entrepreneurs in other Member States. These feed into the broader COSME entrepreneurship objectives of promoting entrepreneurship and facilitating relevant experiences, learning and networking. We have presented data on various outputs and outcomes realised by the programme over the period which have demonstrated that the EYE programme has successfully achieved its intended objectives and, through this, contributed to the wider objectives of the COSME programme.

In addition, there are already indications that the enhanced capacity amongst 2014-2016 beneficiaries is supporting further outcomes (new businesses, business growth and employment), which go beyond the stated objectives of the EYE programme itself, but contribute to **wider COSME aims and objectives** around the growth and the scaling-up of SMEs:

- Even in the short period covered by this evaluation, the proportion of this cohort of beneficiaries who are in employment or self-employment has increased from 50% to 78% (+ 600 people), while the proportion who are unemployed has decreased from 30% to 7% (- 473 people).
- Respondents also provided feedback on how the exchange had helped them to plan for, set up, or grow a business. Over half claimed it had contributed greatly to their plans and preparations for establishing a business, one-third claimed it had been very helpful with starting a new business, and a quarter said it had contributed greatly to the development or growth of an existing business.
- The NEs in scope are estimated to have already created 241 new businesses in the year or two since their EYE placement, generating an additional €5m in turnover and over 1,000 new jobs.
- EYE has also made a recognisable contribution to growth in turnover and employment in many of the HEs, and the programme is therefore linked to the €203m in additional turnover and 1,157 new jobs that we estimate have been realised amongst these organisations.

These are clearly positive results. However, the stated objective of the EYE programme is to provide aspiring entrepreneurs with the skills necessary to start and / or successfully run a small business. While these skills may well be transferable (e.g. to employment), the clear intention is to encourage and enable new business start-up / growth amongst participants. In this context, the ~100 extra entrepreneurs created amongst 1,352 participants (those not already self-employed) and the estimated ~240 new businesses established by the 2014-16 cohort might seem disappointing.

However, there may be an issue of timing here, in that many of the NE consulted through this study will have only recently completed their placement. The proportion reporting that the scheme has contributed to their "plans and preparations for

establishing a business”, far outweighs those reporting that they have already started a new business. As such, over the next several years, the proportion of the 2014-16 cohort of participants that are self-employed / entrepreneurs, and the number of new businesses created by these individuals may rise considerably. This is supported by the 2013 EYE statistical analysis, which covered a longer time-period and found clear evidence of a time-lag of several years between EYE placements and most entrepreneurs creating a new business.

### 8.1.3 On Efficiency

#### *Costs, affordability and cost-effectiveness of the EYE programme*

Based on feedback from participating New and Host Entrepreneurs (NE/HE), we have estimated the average and overall costs incurred by beneficiaries of the scheme. Hosts (who do not receive any funding from the EYE programme) estimated that financial costs incurred as a result of hosting an NE (before, during or after the exchange) averaged €1,440 per placement, while the total time involved in hosting an NE (effort expended on administration, preparation and feedback) averaged 32 days per placement. With 2,117 placements completed during the 2014-2016 period, we therefore estimated total costs to all HEs of €2.98 million, plus effort equivalent to €9.25 million (based on average wages).

New Entrepreneurs do receive programme funding to cover certain travel, accommodation and other costs during their placement. However, our survey suggests that this is often not entirely sufficient to cover costs during their stay. They estimated that additional financial costs incurred averaged €1,060, while effort expended before and after their placement averaged 20 days. We therefore estimated that all NEs in the period incurred €2.25 million in additional costs and the equivalent of €5.72 million in terms of time and effort (beyond the placement itself).

Most Host Entrepreneurs found these additional costs to be entirely affordable, while the New Entrepreneurs tended to be a little less enthusiastic in their assessment.

However, both groups were very positive as to the programme meeting their expectations. For example:

- The main reason given by nearly all NEs for participating in EYE was to develop new knowledge and skills relating to running a business. Most went on to report improvements in their management, marketing, technical and finance skills. Nearly all NEs also concluded that overall EYE had helped them to develop new knowledge and skills related to running a business. Identifying potential business contacts and opportunities and learning about another country / market were also significant motivations for most NEs, and this has also occurred in most cases. Finally, over half of NEs reported that supporting the development of business plans and activities was a very important motivation, and most went on to report that they spent time on this during their stay, and that EYE had therefore helped to develop their business plans and activities.
- For the majority of host entrepreneurs, the most important motivation was to help young and aspiring entrepreneurs. The evidence from the NEs clearly shows that they were helped, and in a variety of ways ranging from new knowledge and skills to new contacts and partners. Nearly all hosts also reported being satisfied with the willingness of their NE to learn and contribute. A majority of HEs also reported that a major motivation was to look for new ideas or fresh perspectives, and again, there is clear evidence that this was realised – both through the introduction of new ideas or fresh perspectives and new skills, methods or techniques that could be applied in their company.

As a result, both New and Host Entrepreneurs reported that, on balance, the **benefits of participating outweighed the costs for all involved.**

### *Data management and monitoring capacity of the EYE programme*

The COSME Work Programmes (WPs) contain various information on the intended activities and expected outcomes / results for each entrepreneurship action, as well as a number of key performance indicators that might be measured. For the EYE programme specifically, the WPs set out five main and three longer-term indicators for the scheme, as well as some indications of the scale of ambition.

Each of the programme's indicators is 'SMART' and, between them, they cover various aspects of the activities, outputs and outcomes of the programme. However, the focus is very much on the implementation of the programme (e.g. immediate activities and outputs such as registrations and matches), rather than the longer-term ambitions of the schemes (their objectives and expected results / outcomes). The long-term indicators do begin to address these wider aims (e.g. the number of resulting joint projects / cooperation agreements may provide a useful KPI in relation to the objective of intensifying networking and businesses relationship), but these provide only partial coverage of the programmes main objectives. In addition, there is no information given on the intended means of measuring progress against these indicators (e.g. the tools to be deployed and how, for instance, programme attribution will be addressed in relation to jobs and start-up creation).

Nevertheless, there are various activities in place that support the programme's ability to monitor progress and achievements. For instance, the support office is required to report on its own activities through interim and final reports, as well as provide reports every six-months on the performance of the individual EPs/IOs. Feeding into this process, each EP is required to provide 6-monthly reports to the support office on the activities of their consortia. A centralised database is also maintained that contains various information on all European Partnerships, Intermediary Organisations and registered Host and New Entrepreneurs, as well as details of the matching process and exchanges undertaken. These data are continuously updated and provide a rich source of information on activities and participants in the programme. Separately, a statistical analysis of EYE was commissioned in 2013, covering the first five years of the programme. This aimed at examining the success of the programme in terms of reaching its goals through a survey of participants (HEs/NEs). The results of this survey complemented existing monitoring data by providing evidence on the experiences, benefits and outcomes realised by those participating.

#### *8.1.4 On Coherence*

##### *Internal coherence*

Within the programme period assessed, there are only a small number of COSME entrepreneurship actions that are closely related with each other. Mostly, the actions within this portfolio are distinct entities that relate to activities in previous programmes or to measures outside of COSME, but not to each other. Each also targets a different area of entrepreneurship or a different type of entrepreneur. As a result, **there are few synergies to be realised** between the different actions.

**No specific overlaps have been identified** between individual entrepreneurship actions. Similar instruments are used across the portfolio, but in each case the action is strongly focused and tailored to a specific target group or situation, and there is therefore no obvious duplication. Similarly, while there are a small number of crossovers between actions or stakeholders involved in the implementation, such examples are limited and result from the need to engage large international membership-based organisations to enhance the impacts generated from the limited funding available. Overall, the overlap between stakeholders across the portfolio has been minimal, since most actions call for the engagement of a specific group of partners with specialist fields of expertise. One could argue that there are crossovers between the specific groups being targeted by different actions. For instance, senior entrepreneurs may be female,



while new entrepreneurs may be migrants just to mention two examples. However, the distinct intentions and activities of the different actions suggest that there is no incoherence or unnecessary overlap between the actions as a result.

As a result, we have concluded that **the portfolio of entrepreneurship actions is internally coherent**. All the actions align with and support higher-level policy priorities and objectives. They also contribute to the three main sub-objectives for COSME entrepreneurship, as well as to the overarching objective of promoting entrepreneurship and an entrepreneurial culture, further ensuring coherence across the portfolio. The programme addressed its objectives, while also targeting a range of priority groups and areas, all within a relatively small portfolio of actions and with a relatively limited budget. Through the choice of actions, it has been able to take a holistic approach to promoting and supporting entrepreneurship, contributing to addressing the variety of identified needs and priorities.

#### *External coherence*

In the context section of this report we set out a number of **other EU measures** that seek to promote and support entrepreneurship, and are of relevance to the entrepreneurship actions funded through COSME. However, whilst there is alignment of overall objectives and intentions with these actions, there are no evident issues of overlaps between these EU actions and COSME entrepreneurship.

Across the portfolio of COSME entrepreneurship actions, there are several examples of good practice regarding coherence with **national programmes**. In fact, it is an important feature of most of the COSME-funded actions in the field (except for EYE) that they aim to bring together national stakeholders and initiatives that are engaged in the promotion of the relevant subject field (but where these efforts are fragmented), thereby creating coherence between national and European level efforts.

The process for ensuring coherence varies according to the action in question. The main differences are due to the maturity of the topics addressed which can influence the "direction" of coherence created between the COSME actions and national initiatives. In newer, emerging areas (e.g. migrant entrepreneurship), COSME actions can take a leading role in driving further (coherent) national efforts. In more established areas (e.g. entrepreneurship education) COSME tries to ensure coherence with (and between) the well-developed national initiatives that are already in place.

#### *8.1.5 On EU Added Value*

##### *Additionality and the importance of EU-level action*

**Entrepreneurship actions** account for a small proportion of the overall COSME budget, and consist mainly of small-scale, one-off, activities (though with clear links to other activities, past and present). A study of entrepreneurship actions in CIP highlighted the positive contributions from such small-scale activities to the overall coordination and impact of the wider programme. Within COSME we see the smaller entrepreneurship actions going further, deliberately looking to complement, stimulate and leverage national activity, thereby ensuring EU added value by the synergies they create.

At the national and local level across Europe there are many different types of interventions designed to promote entrepreneurship and early stage start-ups. These include financial assistance, mentoring and advisory services, specialised support, incubators, and so on. However, it is an important feature of most of the smaller COSME-funded entrepreneurship actions that they aim to bring together national stakeholders and initiatives that are engaged in the promotion of the relevant area of entrepreneurship, thereby creating coherence between national and European level efforts.

The EU level actions have therefore not only been additional to, but also help to enhance national, regional and local level efforts. This aligns with the Commission Green Paper on Entrepreneurship in Europe, which called for a more coordinated approach to entrepreneurial policy and increased learning between Member States, with the Commission assuming a coordinator role at the EU level.

Much of the COSME entrepreneurship budget is spent on the **EYE programme**, which is much larger in scale and has more ambitious aims than many of the smaller actions. It also has a strong EU cross-border remit and objectives. For instance, it seeks to enable mobility throughout Europe, matching entrepreneurs with hosts who could not necessarily be found locally, and offering opportunities to learn about other business settings and cultures, share ideas, and meet business contacts in other parts of the Single Market. It also does so at a scale that would be impossible to achieve at the national level, but that is necessary in order to make inroads into dealing with the relatively low levels of entrepreneurial capacity in Europe. This particular programme therefore has a clear added value in that it can more effectively address EU-level needs, issues and objectives.

Supporting this, the Host and New Entrepreneurs surveyed were nearly unanimous in their belief that the EYE scheme should continue in the future.

#### *Ongoing need for EU action*

The Commission has repeatedly highlighted the importance of entrepreneurship in unlocking personal potential and supporting competitiveness, job creation and growth. However, there clearly remains room for further improvement, with data persistently showing low levels of entrepreneurial interest and activity, as well as high rates of failure and slow rates of growth amongst newly established firms.

The promotion of entrepreneurship was a main priority within the Small Business Act for Europe, which called on the EU and Member States to better foster entrepreneurial interest and talent amongst different groups by making people more aware of self-employment as an attractive career option, and by providing them with the necessary education and skills to turn their ambitions into successful ventures. It also called for greater cooperation and networking between entrepreneurs, as well as efforts to ensure that honest entrepreneurs get a second chance after bankruptcy.

Against this backdrop, the overarching aims for COSME entrepreneurship actions - to improve framework conditions, facilitate learning and exchanges of experience and to promote entrepreneurship and entrepreneurial culture - continue to be entirely appropriate.

## **8.2 Recommendations**

Despite a largely positive assessment of smaller (entrepreneurship) actions within CIP, the final evaluation of this programme did recommend a continued need to justify each small-scale measure separately, a need to strengthen mechanisms for the overall coordination of actions (to avoid unnecessary proliferation and achieve greater synergies), and a need to improve the monitoring and communication of the aims and achievements of measures. These recommendations continue to be relevant to the COSME entrepreneurship actions as well.

Despite the considerable and varied collection of entrepreneurship activities funded through COSME, there is no formal structure or process for the design of the portfolio as a whole. Actions have different origins and are managed across multiple policy officers and units, with only informal and unstructured **interaction across the actions**. As such, there is no obvious coordination between individual actions. This may not be a major problem, given the distinct nature of the different actions, however, we believe important learning opportunities are missed out on due to the lack of coordination

regarding implementation tools and experiences. For example, the specific tools deployed by different actions in the portfolio represent crossovers. This is an area where greater synergies could be realised, in the sense that the learning and experiences from implementation in one area (e.g. of the development of a good practice dossier) might benefit future implementation of a similar tool in another. It is not clear that there is sufficient interaction between the oversight and management structures of the different actions to fully realise such learning benefits at present.

Perhaps more importantly, the lack of a formal 'entrepreneurship' sub-programme management or coordination structure means the **balance of effort and funding across the portfolio** does not seem to receive sufficient consideration. There is no obvious mechanism to consider whether the current portfolio of actions, or the prioritisation between them, is the most appropriate for addressing the broad set of needs and issues that have been identified in relation to entrepreneurship.

There is a need to improve the explicit explanation (e.g. in the work programmes) of the rationale (issues, problems and needs) underlying the choice of specific actions planned. This should demonstrate evidence of relevant needs, as well as past activities and learning that have led to their inclusion within the COSME work programme and to the design of an action that is aligned with the identified needs and priorities. This would aid discussion on the relevance of the intended portfolio of actions.

The lack of coordination also raises the question of **optimisation of resources**. There is a relatively small COSME budget available for entrepreneurship actions (4% of the overall programme), and the majority of this resource is allocated to one particular scheme (EYE accounts for two-thirds of entrepreneurship funding). This means that many of the remaining individual actions are small in scale and often one-off (at least in the short term). One could take any of the current focal areas, e.g. senior entrepreneurs or migrants, and achieve more through increased budget allocation. However, this would have to be compensated by reducing the available resources for other actions. With the exception of the EYE programme, this would probably imply removing one or more actions. Any re-prioritisation or trade-off between breadth and depth/scale would therefore need careful consideration.

The COSME work programmes (WP) contain various information on the intended activities and expected outcomes / results for each entrepreneurship action, as well as a number of key performance indicators that might be measured. However, the structure used for providing this information is not entirely consistent across different actions and there are also some issues with information being presented in the wrong place (e.g. activities being listed as objectives). The anticipated outputs and outcomes of the actions are also not separated out, and are discussed (often only qualitatively) together as part of the 'results' section of the template, or only evident from the descriptions of objectives and funded activities. Therefore there is no clear and definitive list of indicators against which progress and achievements can be measured. This is then reflected in the COSME monitoring reports, which are somewhat discursive and focus more on providing details of the implementation actions than on any (quantitative) indications of outputs, outcomes and ultimately contribution to wider objectives.

## Appendix A Women's Entrepreneurship Case Study

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### A.1 Introduction and overview of the action

The COSME programme seeks to support entrepreneurs by strengthening education, mentoring, guidance and support, including through actions targeted at specific groups who may find it difficult to reach their full potential. One such group is women, who are less likely to be self-employed and who are thought to face additional barriers (e.g. access to networks or reconciling business and family) that make entrepreneurship a less attractive option<sup>37</sup>. The Commission supports several tools and networks targeted at female entrepreneurs and entrepreneurship, including (through COSME) an e-platform ("WEgate").

The overall objectives of the WEgate women's entrepreneurship platform are:

- To provide information and support on access to finance and how to start and grow businesses to current and aspiring women entrepreneurs, as well as signposting to training and learning opportunities, mentoring programmes, good practice, case studies and success stories
- To act as a hub for online networking, bringing together all relevant stakeholders, enhancing exchange and cooperation across Europe, and improving the reach of existing networks and support

An initial action to create the online platform was funded under the COSME 2014 work programme (12 month contract, €846k), while a further follow-up action to update, upgrade, animate and maintain the e-platform (between 2016 and 18) was funded under the 2015 work programme (30 month contract, €400k). The WEgate platform<sup>38</sup> itself was officially launched in September 2016, marking the end of the initial action. The follow-up action began only at the beginning of 2017 and will run until 2019.

The information presented in this case is based on a review of call and tender documentation, as well as reports (from the contractor and EASME) in relation to the initial WEgate action. Six interviews have also been conducted, with two Commission policy officers, three members of the WEgate advisory committee and the project manager responsible for the initial contract.

### A.2 Implementation of the action

The COSME 2014 work programme set out the intentions for an initial action to create a European online platform for female entrepreneurs. Following an open tender, a service contract for 12 months was awarded to the consortium ESN-everis in November 2015. The action covered four main activities:

1. To set up and maintain a multi-lingual e-platform to provide information and support on access to finance, markets, business partners and how to start/grow a business, targeting current and aspiring women entrepreneurs
2. To gather and process information, images and links for the platform, including content and news items, blog articles, success stories and videos
3. To create and apply a communication and outreach strategy for the promotion of the platform, including a launch event
4. To communicate with users, identify their needs and gather feedback, and then ensure that this feeds into the development of the platform

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<sup>37</sup> [https://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/women\\_en](https://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/women_en)

<sup>38</sup> <https://www.wegate.eu/>

5. To support and organise four Advisory Committee meetings, chaired by DG GROW and including representatives of EASME, the EC and external stakeholders.

The COSME 2015 work programme then set out intentions for a further action to update, upgrade, animate and maintain the European online platform for female entrepreneurs between 2016 and 2018. Through a framework contract, EASME contracted Mostra SA at the end of 2016 (for a period of 30 months) to deliver this follow-up action, with the work divided into three main components:

- A technical component – ongoing upgrade, maintenance and design of the platform
- An editorial component – ongoing update to news/event entries, blog articles, success stories, etc.
- Outreach/promotion component – ongoing stakeholder engagement through an annual email campaign and follow-up, bi-monthly e-newsletters and an annual user satisfaction survey

The overall aims of this follow-up action are to attract, maintain and develop a high level of interest, satisfaction and use of the WEgate platform amongst current and aspiring female entrepreneurs, as well as to establish WEgate as a tool to exchange good practices amongst stakeholders.

### A.3 Relevance of the action

The promotion of women's entrepreneurship is a key action of the European Commission to achieve economic empowerment of women and to contribute to smart, sustainable and inclusive growth<sup>39</sup>. There is a clear rationale for their targeting, with women under-represented amongst the self-employed and business owners in Europe. They constitute 52% of the total European population, but only one-third of the self-employed or of all business starters in the EU<sup>40</sup>, while just 10% of the female active labour force in Europe are entrepreneurs, compared with 20% for men<sup>41</sup>.

The choice of actions and the structure of the resultant platform are the result of a feasibility study of an internet-based E-platform for Women Entrepreneurs. This was carried out on behalf of the European Commission by the Austrian Institute for SME Research in September 2014. In line with the recommendations of this study, the WEgate platform was intended to address some of the challenges faced by women when establishing and running a business, such as:

- Access to finance
- Access to information
- A lack of training opportunities
- Access to support networks
- Reconciling business and family concerns

The European Commission identified two target groups for the WEgate platform, which are current and aspiring women entrepreneurs in Europe, and stakeholders active in supporting women entrepreneurs such as business organisations financing, informing advising and providing policy input to the subject of women entrepreneurship. Current and aspiring women entrepreneurs and organisations can register on the platform that has been created using two different kinds of profiles. The initial outreach campaign for the launching of the platform targeted organisations only, while the subsequent social

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<sup>39</sup> European Commission, Entrepreneurship 2020 Action Plan

<sup>40</sup> Eurostat, 'Statistics in focus: the entrepreneurial gap between men and women' (30/2007)

<sup>41</sup> Albania, the Former Yugoslav Republic of Macedonia, Iceland, Israel, Turkey, Liechtenstein, Montenegro, Norway, and Serbia

media campaign targeted individuals, including both current and aspiring women entrepreneurs.

#### A.4 Effectiveness and efficiency of the action

All of the work packages from the **first WEgate action** have now been completed:

- **WP1 – Platform creation:** Following the launch of the WEgate platform, EASME found issues and technical bugs with the site, which meant the quality was not fully satisfactory. A list of issues was sent to the contractor in November 2016, all of which were fixed by January 2017.
- **WP2 – Platform content:** At the end of the initial contract there were discrepancies between the number of content items planned and the number eventually produced and published (see below). Funding (€6,500) was deducted for the missing video, but otherwise the amount of content overall was deemed acceptable.

Table 31 WEgate initial action – content items planned and produced / published

Content items	Planned	Produced / published
Repository items	344	582
A4-size pages	172	210
News items	258	65
Blog articles	43	6
Videos	10	9

- **WP3 - Communication and outreach:** All activities were correctly implemented. These included a communication strategy and plan, social media campaign, stakeholder outreach activities, editorial work, videos and content production, translation and preparation of the launch event.
- **WP4 - User feedback:** The final report shows that the number of questions received through the WEgate contact form during October-November 2016 (i.e. after the initial launch of the platform) was 69, including a mixture of questions relating to content and those relating to technical issues. Most of the contractors targets for dealing with comments and questions were met. However, only half of the incidents reported were dealt with within the required time.
- **WP5 – Advisory committee:** A committee was formed, composed of representatives of EASME, the Commission and external stakeholders (including WES). Four meetings took place during 2016, which were reportedly successful in providing inputs for the structuring and content development of the e-platform.

The original contract did allow for renewal of up to 30 months, but this option was not taken. However, the Commission was not entirely happy with the performance of the initial work, and instead the **second action** was awarded through an existing Framework Contract to a different contractor. The migration of the WEgate platform to the new contractor has been successfully completed (February 2017) and an evaluation of current material has been undertaken. The new contractor is currently working to further develop and expand the content on the WEgate site, in light of the substandard level of traffic following the initial phase. Up to 370 content updates should be undertaken over 30 months, including 130 small content items, 200 news or event entries, 20 blog articles and 20 success stories. Outreach and promotional activities are also planned for 2017 and 2018. Two user satisfaction surveys will also be conducted in 2018 and 2019.

Stakeholders consulted for the case study have been positive as to the achievements so far. Several highlighted how the social media campaign undertaken during 2016 was particularly successful in promoting the platform and increasing traffic. As a result, in the two months after the launch of the platform, 340 stakeholders subscribed and the platform had more than 20,000 visits. In addition, over 140 external participants took part in the event launching the platform. However, since then the traffic on the platform has not evolved positively and there are few women entrepreneurs visiting the site.

The WEgate site offers an operational multilingual interactive e-platform on women entrepreneurship, which includes relevant content, offering effective support to users and information providers. The platform is seen to provide valuable support for networking and cooperation. For instance, a member of the advisory board highlighted how the platform can provide European visibility to organisations that otherwise would not be able to reach such an audience. They also mentioned the example of an organisation that, through WEgate-platform, found a new international partner for cooperation.

Overall, the platform is seen as bringing together local, national and European stakeholders and facilitating the exchange of good practices and policy dialogue regarding women entrepreneurship. It can also facilitate cross-country access to available training, mentoring, advice, information on how to start-up and grow a business, how to access funding, new markets and partners (although those functions have not so far been widely used by women entrepreneurs). The platform can also provide cross-country business networking opportunities for women. Overall the platform increases cross-country connections and interactions, especially between stakeholders, facilitating access to information and organisations that otherwise would be harder to find or contact.

#### A.5 Coherence and added value of the action

The WEgate platform was set up as one-stop-shop portal where women of all ages who want to start, run and grow a business could find relevant information and support. By definition, the initiative tries to bring together and build synergies between the different COSME activities as well as the different activities available at European and national level<sup>42</sup>. For instance there are clear links with other Commission-supported tools that seek to help women become entrepreneurs and run successful businesses:

- Since 2004, the European network to promote women's entrepreneurship (WES) offers a network with members from 31 European countries (the EU-28, Iceland, Norway, and Turkey). The delegates represent national governments and institutions and are responsible for promoting and supporting female entrepreneurship at national level. Many of the links present on the WEgate platform were suggested, or are linked to the affiliated organisations of some of the members of the network. The WEgate platform represents a digital space that enables and consolidate the WES network
- The European Network of Female Entrepreneurship Ambassadors was inaugurated in 2009. It consists around 270 entrepreneurs from 22 European countries. The aim of the ambassadors is to act as role models by telling their story to raise awareness and encourage entrepreneurship as a career option for women of all ages. The WEgate platform allows ambassadors to channel their message to current and aspiring women entrepreneurs in Europe
- The European Network of Mentors for Women Entrepreneurs was inaugurated in 2011. The WEgate platform allows mentors to connect with current and aspiring women entrepreneurs in Europe to provides advice and support to women entrepreneurs on the start-up, management and growth of their businesses in the early phases
- Under the new WEgate action, cooperation is also to start with the newly formed European Community of Women Business Angels and women entrepreneurs (ECWBA)

According to the different stakeholders interviewed, the WEgate platform is coherent with existing actions and no overlapping issues have emerged.

The platform offers a digital space for the different networks and communities to engage. It also provides enhanced visibility and the possibility to reach a wider audience of stakeholders. The platform provides 1,118 links to external websites. The website

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<sup>42</sup> Albania, the Former Yugoslav Republic of Macedonia, Iceland, Israel, Turkey, Liechtenstein, Montenegro, Norway, and Serbia

features seven main sections including: Start, Grow, Support, Learn, Share, Stakeholders and About. The first four include mainly links to other websites and pages on how to start a business, expand a business abroad, get support and funding, and learn more about entrepreneurship. These websites include country-specific organisations and business information portals. For each of these sections there is also a search engine allowing users to look for specific information in a specific country. At least one link per country is provided.

The action has also benefited from the input of an advisory committee. The five-strong committee is made of three WES members (Italy, Croatia, Portugal), a member from the European Training Foundation and one from the South East European Centre for Entrepreneurial Learning (SECEEL). The members of the committee have already met four times, but they also provided content and material for the platform, especially for the "stakeholder" page. During the building of the structure, ambassadors and members from the WES network were also contacted to provide input and content. Some other members of these networks also contributed to defining the structure of the platform and its content, although their involvement was more limited.

The COSME 2017 work programme indicates that three cross-national workshops on women entrepreneurship will be funded. These will focus on the cross-European dissemination and transfer of best practice in developing national and regional strategies and actions to support women entrepreneurship, as well as a new European Agenda for Women Entrepreneurship.

#### A.6 Summary and conclusions

The COSME programme has succeeded in the creation, development and maintenance of a Europe-wide e-Platform for women entrepreneurs, and this platform has already managed to provide a digital space for engagement between pre-existing women's entrepreneurship networks, mentors and ambassadors.

The platform is very young, having only launched at the end of September 2016. Considering also the period needed for the migration of the WEgate platform to the new contractor, engagement on the platform is currently quite limited, and it is early to assess the contribution being made in informing, supporting and providing a network of women entrepreneurs and organisations.

While there are always improvements to make, especially based on the user feedback received, at this stage the main focal area of activities should be engaging the stakeholder community, both in developing the content and in developing a lively online European Community through the platform (exchanging best practices, mentoring, networking, developing business opportunities, etc.).

Given the interest generated by the social media campaign and the launch event in 2016, the momentum could be built on through social media and potentially through bloggers writing about business and women entrepreneurship.





