

# Erasmus for Young Entrepreneurs

FABSTART



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# Basic Info

<https://www.erasmus-entrepreneurs.eu/>

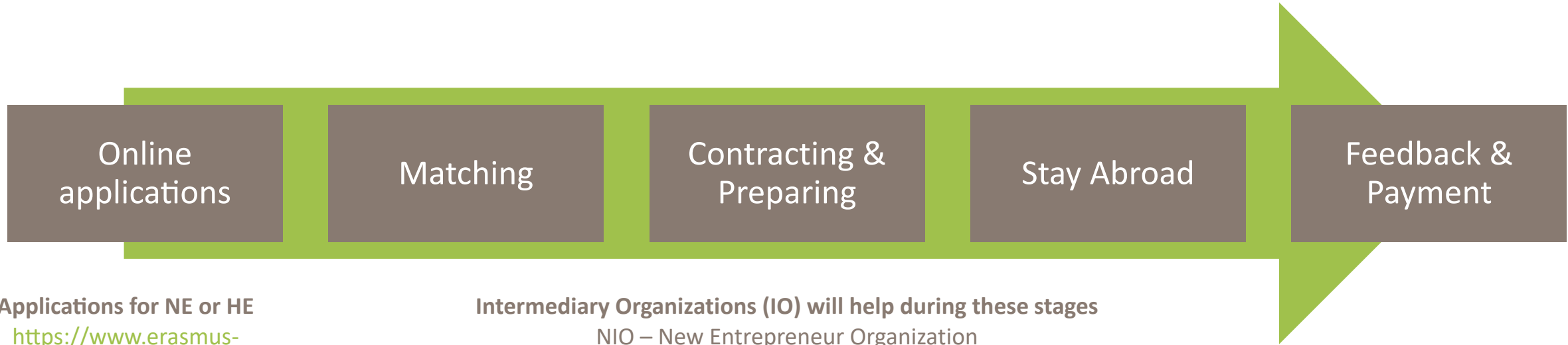
## What is it?

- Erasmus for Young Entrepreneurs is an exchange programme organized by the European Union, since 2019, aiming and encouraging the international mobility of aspiring entrepreneurs and startupper, and the sharing of experience between European SME. It is an on-the-job learning opportunity that allows entrepreneurs to engage their business skills through collaboration between New and Experienced (host) entrepreneurs. It can last from 1 – 6 months.

## To whom?

- NE – New Entrepreneur: Someone who wants to get more knowledge about how to set up his/her own business. Important: The programme is not meant to cover all NE's costs! Applicants must take into consideration that the Programme is only suppose to support, so the NE must be willing to invest his time and his own money in this experience, where he is going abroad because of his new business.
- HE – Host Entrepreneur: Someone who has a business and wants to explore new European markets. The HE will not receive any money or intern. HE should participate in this project to get more knowledge from the NE (example: new markets, industries, methodologies...)

# Steps of the Exchange



**Applications for NE or HE**

<https://www.erasmus-entrepreneurs.eu/page.php?pid=051#.VAXTONddWSo>

**Intermediary Organizations (IO) will help during these stages**

NIO – New Entrepreneur Organization  
HIO – Host Entrepreneur Organization



# ONLINE APPLICATIONS

# Participation Criteria

## Legal Criteria

- New Entrepreneurs:

- **Would-be entrepreneurs** who are firmly planning to start their own business, based on a concrete project reflected in a substantiated business plan;
- **New Entrepreneurs** who have been running their own business for less than 3 years (cumulative) at the time of application. Note that self-employment/freelancing experience is considered as entrepreneurial experience but it should be assessed on a case by case basis, depending on the activities carried out.

Whether planned or already existing, an NE's business can be **in any sector**. Apart from the age of the company, you also have to check **NEs' entrepreneurial experience in their CVs**.

- Host entrepreneurs:

- Be **successful and experienced**: although the number of years of activity is not specifically prescribed, more than 3 years (cumulative) of activity should be considered as a minimum for an HE and;
- **Run a micro, small or medium-sized enterprise** in one of the participating countries according to the EU definition of an SME (see below for more information) as owners or members of the Board (not employees).

The business can be in any sector.

# Participation Criteria

## Geographical Criteria

- Interested NEs and HEs must have their ‘permanent residence’, as defined by the programme, in an EU Member State or in any of the other participating countries to participate in the programme and they should apply in that country. Permanent Residence:
  - The **place where the company of the applicant is registered**, if the applicant has a registered company, and where the applicant is residing;
  - If a company has **several registered establishments** in different EU Member States or other participating countries, the entrepreneur should **choose the country where he/she is based as his/her permanent residence**;
  - The **place where the applicant has spent 183 days or more in the course of the last 12 months**, if the applicant does not have a registered company.
- Participation in the programme is not based on nationality or legal residence, therefore holding a specific nationality or legal residence status does not grant or deny an applicant the right to participate in the programme.
- **The IO selected by the entrepreneur must be located in the country of ‘permanent residence’ of the entrepreneur** (except for cases where there is no IO in the respective country).

# Eligibility Criteria: New Entrepreneur

1. **Participation criteria** are met. And an NE can only participate once and only with one HE
2. **Motivation and expectations** should be clearly expressed - business investment for both entrepreneurs
  - A real commitment to invest in a learning experience that will add value to his/her business idea;
  - A clearly identifiable commitment towards being an entrepreneur;
  - Clear and well defined learning objectives that refer to their concrete business plan<sup>10</sup>;
  - A commitment to contribute to the development of the HE's business through innovative ideas and by making use of his/her skills and competences;
  - Motivation, enthusiasm, seriousness, creativity and initiative.
3. **Background** - NE's qualifications, competences, interpersonal skills and willingness to be an entrepreneur (CV)
4. **Ability to work in a foreign language**
5. **Business Plan** – mandatory to submit both documents
  - Summary: Overview of NE's plans to start a business. Description of the products/services to be offered (the business plan will not be shared in advance with HE and other IO, so this is what they will read during the matching phase)
  - Full Business Plan\*: confidential document (description of the product/service; market analysis; competitors analysis; marketing and sales plan; financial plan including break-down estimated expenses and income in the following 2 years and a break-even analysis)



# Eligibility Criteria: Host Entrepreneur

1. **Participation criteria** are met. Additionally, only an **owner-manager** of a company or a person directly involved in entrepreneurship at SME **management board level** is eligible to the programme as an HE. Employees are therefore not eligible, whatever their position. HEs who have less than 3 years cumulative experience as entrepreneurs cannot be considered eligible. The company must be an independent SME.

2. **Motivation and expectations** should be clearly expressed:

- They have experience in running successfully a business and an entrepreneurial track record;
- They are engaged in an activity that will give an NE relevant learning opportunities;
- They want to share their entrepreneurial experience and act as a mentor: they should specify how they will work with NE towards developing his/her entrepreneurial skills and know-how. This is a personal commitment that cannot be delegated .

**HEs should concisely describe activities that they would expect from an NE** and indicate if any specific skills, including language skills, are required from NE to perform a particular task — giving the latter the opportunity to decide whether to explore a potential relationship further. Furthermore, a brief description of the HE's business should also be provided within the application.

In any case, a reasonable amount of time (at least 5 hours per week on average) should be spent working on NE's project. This should be explicitly indicated in the Commitment (see point 2.3.2).

3. **Brief Curriculum Vitae:** A company description is not a CV

## Examples of NEs activities during the exchange:

- Market research and developing new business opportunities;
- Project development, innovation and R&D;
- Taking a fresh look at existing business operations;
- Understanding SME finance;
- Branding, sales and marketing of company;
- Work on concrete projects in one or more of the above-mentioned areas;  
Shadowing the HE.

# Exclusion Criteria

The criteria for exclusion shall be as follows:

- NEs and HEs do not comply with the eligibility criteria described above;
- NEs who are trying to misuse financial assistance for various reasons<sup>17</sup>;
- HEs who are looking for free labour force or pure internships;
- Weak/poor applications which can obviously not be improved;
- NEs and HEs who have a pre-existing/planned professional relationship or a relation that does not require an Erasmus for Young Entrepreneurs stay to be established . E.g. HE is or will be a co-owner or investor in the NE's business; NE's business idea is to set up a branch of the HE's business in his/her home country; NE has won a scholarship or stay at the HE's office through another programme, NE and HE are related (family members, partners/spouses, family members of partners, etc.)
- Exchanges and applications where there is a conflict of interest. Conflict of interest is considered any situation that has the potential to undermine the impartiality of the entrepreneur or IO involved because of the possibility of a clash between the actor's self- interest and his/her role and responsibilities in the programme as new/host entrepreneur or intermediary organisation- for example, IO staff participating as entrepreneurs, matches between entrepreneurs who have a personal relation, etc.



# **MATCHING, CONTRACTING & PREPARING**

# Eligibility Criteria: Relationship

1. NEs and HEs are accepted as entrepreneurs only when they comply with the **admission criteria (Participation criteria)**;
2. NE and HE must reside in **two different participating countries** (whatever their nationalities);
3. The relationship must include an active NIO and an active HIO from two different participating countries. Entrepreneurs should reside in the country of their respective IO unless exceptional circumstances apply. IOs may be part of the same European Partnership or not;
4. The exchange must finish before the activity end date of both IOs;
5. There is no conflict of interest between the NE and the HE (e.g. franchisor-franchisee, HE investor or partner in NE's business, etc.) or between any of them and their corresponding IOs;
6. The relationship is an entrepreneur-to-entrepreneur relationship, not an internship or placement with focus on business learning and not general learning (e.g. commitment should focus on learning how to run an architectural practice and not how to be an architect in general);
7. The match is not in breach with the points listed in section Exclusion Criteria, especially with regards to NEs and HEs who have a pre-existing/planned professional relationship or a relation that does not require an Erasmus for Young Entrepreneurs stay to be established/poses conflict of interest. E.g. HE is or will be a co-owner or investor in the NE's business; NE's business idea is to set up a branch of the HE's business in his/her home country; NE has won a scholarship or stay at the HE's office through another programme, NE and HE are related (family members, partners/spouses, family members of partners, etc.)



# **STAY ABROAD EXCHANGE, FEEDBACK & PAYMENT**

# Responsibilities of HIO during the stay abroad

- The HIO should ensure that it has sufficient up-to-date information about the relationship (i.e. objective(s) of the stay, activity plan, expected outcomes...) and, when possible, a meeting between HE, NE and HIO should be held at the beginning of the stay;
- Right at the beginning of the stay, the HIO should via a meeting or phone call contact the NE to introduce him/her to the organisation, the staff in charge of the relationship and the support services available to him/her during the stay; Before or upon arrival, the NE should receive a «Welcome Pack» prepared by the HIO, which should include information about the host country (cultural information) and also on how to address practical questions (housing, transport, insurance, etc.);
- The HIO should inform the HE and NE about the need to alert both NIO and HIO in case of problems that might hinder progress or satisfactory completion of the exchange and about the consequences of a failed relationship.
- The HIO must monitor the exchange together with NIO and liaise with the NIO regarding the progress of the match, particularly in the event of problems.
- The HIO is required to verify the exact dates of the exchange with the NE, HE and NIO before taking any actions on the IT Tool, especially closing the relationship. Please note that once the match has moved from Stay Ongoing to Waiting Feedback, the IOs will no longer be able to make any changes to the stay dates entered and this might affect the payment of the new entrepreneur.

## Example of Welcome Pack:

- Info about host country;
- Info about HIO and available support services;
- Map of city/region;
- Accommodation;
- Administrative steps required before and after leaving country;
- Health insurance;
- Accident insurance;
- Transport;
- Useful telephone numbers;
- Internet access;
- Financial provisions;
- Emergencies (police, hospital(s), etc.);
- Useful addresses (post offices, tourist information office, doctors, language training centres, etc.);
- Books, booklets, leaflets, etc.;
- Webpages.



# Responsibilities of NIO during the stay abroad

- Disburse funding to the NE as appropriate and in line with Programme requirements, on the basis of agreed activities, milestones and reporting;
- Evaluate with each NE their personal and professional development achieved;
- Inform the NE about complaint procedures and consequences of a failed relationship.
- Monitor the exchange together with HIO and liaise with the HIO regarding the progress of the match, particularly in the event of problems.

IOs are jointly responsible to follow up the exchange. The NE and HE should be contacted regularly during the stay to check progress of the exchange. A regular phone call or email to both NE and HE is recommended (every week at the beginning of the exchange and less frequently thereafter). IOs should agree on modalities of such monitoring to avoid overlaps. It is furthermore recommended that HIOs visit NEs/HEs during the exchange period.

# Financial Support

## Agreement for Financial Support to the new entrepreneur

- **Grant agreements** foresee payment of **monthly lump sums** to the new entrepreneurs. Such monthly lump sums per country are defined in Annex 1 - <https://www.erasmus-entrepreneurs.eu/page.php?pid=005>
- A lump sum is defined as a global amount deemed to cover expenses, such as travel, accommodation and subsistence linked with travel and stay abroad. The **NIOs should gather sufficient evidence that the relationship has taken place abroad** (e.g. rent contract, boarding passes, letter from HE).

## Payment arrangements

- The NIO should make an **advance payment to the NE being the equivalent of 1 month of the financial assistance foreseen prior to the start of the stay.**
- The balance of maximum 1 month equivalent should be paid within 30 days of submission of the corresponding feedback questionnaires by both entrepreneurs and of the evidence that the exchange has taken place.





# IMPORTANT LINKS & CONTACTS

# Important Links

- **European Entrepreneur Exchange Programme:**

[https://www.erasmus-entrepreneurs.eu/upload/ERASMUS-GUIDE\\_EN.pdf](https://www.erasmus-entrepreneurs.eu/upload/ERASMUS-GUIDE_EN.pdf)

- **Registration Guide - New Entrepreneurs (NE):**

<https://www.erasmus-entrepreneurs.eu/upload/NE%20registration%20guide%20-%20FINAL.pdf>

- **Registration Guide - Host Entrepreneurs (HE):**

<https://www.erasmus-entrepreneurs.eu/upload/HE%20registration%20guide%20-%20FINAL.pdf>

- **Support Office:**

<http://support.erasmus-entrepreneurs.eu>

- **FAQs:**

<https://www.erasmus-entrepreneurs.eu/page.php?cid=6>

# Contacts: FABSTART - Fábrica de Startups

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