



# Call to encourage ethnic businesses

**DOMINIC COYLE**

Excessive red tape and a lack of Government funding for training schemes means the State is failing to tap into the entrepreneurial skills among ethnic minorities, the Small Firms Association (SFA) says.

SFA director Patricia Call says the requirement for citizens of states outside the European Economic Area to obtain "business permission" from the Department of Justice, Equality and Law Reform before establishing a business in the Republic was "highly restrictive".

Even if approved, these entrepreneurs are required to transfer at least €300,000 in capital into the State and commit to employing at least two people from the European Economic Area - the EU and Norway, Ice-

land and Liechtenstein.

"We would contest that such requirements present an excessively onerous barrier that prevents many migrants from engaging in entrepreneurial activity in Ireland," Ms Callan said yesterday.

In particular, she noted that the capital requirement was "massively in excess" of the typical investment in Irish start-ups.

The SFA says that with foreign nationals now comprising over 10 per cent of our workforce - 200,000 people - they represent an "untapped pool of entrepreneurial talent".

Ms Callan also called on the Government to commit to "mainstream funding" from training programmes for ethnic minority entrepreneurs from the beginning of 2008 "in line with the recommendation of the Small Business Forum report".

Ms Callan, who is also chairwoman of the Emerge development partnership - an initiative promoting ethnic entrepreneurs and co-funded by the EU through the Department of Enterprise, Trade and Employment - says that 33 per cent of its 207 participants over the past three years have set up new businesses.