**EEA AND NORWAY GRANTS**

**FUND FOR BILATERAL RELATIONS**

**INITIATIVE PROPOSAL**

|  |  |
| --- | --- |
| Title of the initiative: ROSE Estonia (Road to Self-Employment for Ukrainian refugees in Estonia) |  |
| Implementing entity *(beneficiary state entity):*  Estonian Association of SMEs – EVEA, Reg. No. 80014387 [www.evea.ee](http://www.evea.ee)  Contact person: Marina Kaas, Vice-President, [marina@evea.ee](mailto:marina@evea.ee), ph. +372 50 21 484 |  |
| Partner(s) *(minimum one donor state entity)*:  SME NORWAY <https://dinbedrift.no/>  Contact person: Åsmund Prytz, [prytz@smbnorge.no](mailto:prytz@smbnorge.no) , ph. +47 971 84 013 |  |
| Bilateral priority area identified by the JCBF beyond the programmes:   * promotion of core European values, such as  respect for human dignity, freedom, democracy, equality, the rule of law and the respect for human rights for all people, regardless of their racial or ethnic origin, religion or belief, gender, disability, age, sexual orientation or gender identity; * E-governance (digitalization) * eastern partnership * equality and equal treatment   X competitive business environment, sustainable and adaptive governance (based on “Competitiveness Plan for 2020” approved by the Government of Estonia) |  |
| Allocation *(total sum)*: 82.000 Euros  *(A more detailed project budget description in the activity plan)* |  |
| Short description of the initiative:  *(background, aim, participants, activity plan, budget outline, communication and dissemination)*  *Please see sections below.* |  |

**Activity plan:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Activity** | **Time** | **Location** | **Cost** | **Participants** |
| 1 | **Developement of educational materials and webpage** (includes production, translation, design, print, website creation) | 06.2024 – 10.2024 | Estonia and online | **13500** | EVEA and SME Norway |
| 2 | **Events and mentoring** | 08.2024 – 04.2025 | Estonia | **61500** | EVEA and SME Norway |
| 2.1 | Outreach and further communication to the target group, planning and organisation of events, coordination of the speakers and mentors. | During the whole project |  | 14500 | EVEA |
| 2.2 | Kick-off event with UA community in Estonia | 08.2024 |  | 1200 | EVEA and SME Norway |
| 2.3 | Roadshows (incl. the venue, fees of the Estonian speakers, translation Est-Ukr, and catering, 4 days) | 09.2024-02.2025 |  | 22000 | EVEA and SME Norway |
| 2.4 | Speakers from SME Norway and SMEunited (travel costs) | During the whole project |  | 8000 | SME Norway |
| 2.5 | Speakers from SME Norway and SMEunited (fees) | 09.2024-02.2025 |  | 12000 | SME Norway |
| 2.6 | Post-seminar mentoring and networking sessions in EE | 10.2024-04.2025 |  | 3800 | EVEA |
| 3 | **Project management (administration and reporting)** | 06.2024 – 04. 2025 | Estonia and Norway | **7000** | EVEA and SME Norway |

*Comment: all costs are inclusive of VAT and all taxes. VAT is eligible cost for EVEA and SME Norway.*

**Planned results**[[1]](#footnote-1)

|  |  |  |
| --- | --- | --- |
| OUTPUT | INDICATOR | TARGET |
| One-day motivational seminars with top-level speakers and educators, to encourage entrepreneurial activities by Ukrainian war refugees; | Number of seminars | 4 |
| Sustainable educational materials produced and available online during and after the project | Number of materials | Total of 10:  1 dedicated website  1 workbook (also digital)  1 flyer (also digital)  6 recorded presentations  1 Networking group on Facebook |
| Ukrainian refugees interested in exploring possibilities to become self-employed | Participants in seminars | Minimum 60 |
| Mentoring sessions and/or advisory support services provided to entrepreneurial-minded refugees | Number of participants | Minimum 15 persons |

The main expected outcomes of this project are:

* Improved awareness of the target group of the main conditions for starting a business in Estonia, in addition info on Norway and other EU/EEA countries will also be provided;
* Better understanding of the personal qualities, risks, capital needs and market situation among potentials refugee-entrepreneurs before they decide to start.

**Background**

This proposal is created as a replication and adjustment to the Estonian environment of the existing project “ROSE: Road to self-employment for Ukrainians and other marginalized groups on the Czech labour market” (no.: 2022/348584) implemented by Norwegian partner SME Norway and the promoter Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic. This project application draws on the experiences from the project implemented in CR and supported by EAA and Norway Grants.

The project partners have agreed on applying from the Bilateral Fund of EEA and Norway Grants, to continue our common efforts of facilitating access for Ukrainian war refugees (and other marginalized groups) to self-employment in Estonia, Norway and elsewhere in the EU.

The Estonian and the Norwegian partners have a long history of cooperation as members of the pan-European SME roof organizations: SMEunited and European Entrepreneurs-CEA-PME. This project will develop even closer links between the two national SME associations, thus opening more opportunities to exchange experience and provide better services to the SMEs of both countries.

**The objectives of the project**

The main objective of the project is to reduce economic and social disparities and improve the integration of Ukrainian war refugees into the Estonian economic and social framework through self-employment and business creation.

Entrepreneurship empowers refugees to become self-reliant and financially independent, reducing their dependence on social welfare systems. By starting businesses, refugees can support themselves and their families while also contributing to the local economy.

Additionally, the sub-objective is to strengthen bilateral relations between Norway and Estonia, not only between the project partners EVEA and SME Norway, but also between other institutions dealing with SME support and development in the public and private sectors.

The project directly contributes to both overall objectives (impacts) of the EEA and

Norwegian Financial Mechanisms 2014-2021:

* Reduced economic and social disparities in the European Economic Area
* Strengthened bilateral relations between donor and beneficiary states

**Project value creation**

It is a fact that small and medium-sized enterprises (SMEs) are vital to the global economy. According to the United Nations (UN), SMEs worldwide account for 90% of all businesses, 70% of all jobs, and contribute 50% to the global gross domestic product, thereby the importance of this project cannot be overestimated. There is no exception for Estonia, where 99,8% of all active businesses are small- or medium-sized. The share of SMEs in the Estonian economy is around 80%.

The main creation of value in this project is seen in facilitating the integration of refugees into Estonian society by providing a sense of purpose, self-sufficiency, and belonging. Currently, Estonia works on various benefits for the war refugees in order to make their inclusion in society easier and smoother (e.g. the so-called humanitarian allowance, compensation of rental costs for accommodation, acceptance of Ukrainian children to schools, etc.) but when it comes to employment, the general problem is that the supply of available jobs does not usually correspond to the qualifications and capabilities of refugees. That is why we see self-employment as a sustainable and suitable solution for those among the target group, who has certain skills and courage to take a risk. By encouraging these people and awakening their entrepreneurial spirit we can create value for both - the refugees and immigrants as well as for the Estonian society and economy.

**Project target group and activities**

ROSE Estonia has its focus on providing information and knowledge to Ukrainian war refugees living in Estonia, about starting entrepreneurial activities – either in the form of a small business or self-employment – thus contributing to their own income and creating more jobs and income opportunities for the society as a whole.

According to the Embassy of Ukraine[[2]](#footnote-2), in Estonia, Ukrainians are the third largest ethnic group after Estonians and Russians. Before the start of the Russian Federation's full-scale military aggression against Ukraine, more than 25,000 immigrants from Ukraine lived in Estonia, from the beginning of the war more than 130,000 citizens of Ukraine entered the country, 71,000 of whom remained in Estonia. Ukrainian war refugees live currently mostly in Tallinn, Tartu, Maardu and Pärnu.

According to the Estonian Ministry of the Interior[[3]](#footnote-3), as of 31.03.2024, there were 32,867 Ukrainian war refugees who have been granted a valid temporary residence permit in Estonia on the basis of temporary protection, and as of 31.03.2024, a total of 51,947 applications for temporary protection have been registered,

As of 31.01.2024, 55.4% of all Ukrainian citizens aged 20-64 who have received temporary protection in Estonia are working.

Thus, nearly half of the war refugees of working age are potentially looking for opportunities for employment or entrepreneurship. Unlike some other donor-funded initiatives promoting entrepreneurial skills among refugees (e.g. initiatives by The Estonian Refugee Council and Business and Professional Women Estonia), this project is targeted equally to men and women and has a long post-project life due to the support network offered by the largest national SME association.

ROSE Estonia is based on the implemented above-mentioned project ROSE CR and builds on the needs that were identified as the most pressing among the Ukrainian refugees who participated in the ROSE CR project activities. Thus, this proposal is a direct reaction to the current needs of Ukrainian refugees that are displaced and offers a response to the challenges they face when entering the labour market of a host country as entrepreneurs.

The core of this proposed project is formed by **3 main activities:**

* production of a set of educational materials in Ukrainian language with practical information for Ukrainian refugees in Estonia;
* an educational and awareness-raising roadshow consisting of four seminars in different regions of Estonia;
* provision of mentoring and networking support to the interested participants within the duration of the project.

Additionally, communication and project management are horizontal activities throughout the project.

ACTIVITY 1 – EDUCATIONAL MATERIALS

Creating and distributing two educational and motivation-raising materials: (1) an educational workbook “Step-by step into business” for those, who are just starting to think about becoming an entrepreneur. The workbook will guide the person through the main questions, that need to be answered before you start. It will also include essential facts, links and contacts, using easy-to-follow infographics and QR codes directly transferring the target group to local and national relevant institutions. The workbook will be available both online and on paper. And (2) an awareness-raising flyer for the target groups that will include compressed information on where to receive help and which organizations to contact when starting a new business in Estonia. Both documents will be created in Ukrainian language to give to the target group clear information and understanding of the Estonian entrepreneurial environment. Additionally, a set of presentations will be prepared by the experts and available for further distribution via electronic channels. For the dissemination of the materials, EVEA will use its existing network of partner organizations, Ukrainian community groups, NGOs, public employment offices, the network of regional entrepreneurship and development centers (MAK võrgustik), and similar relevant stakeholders to reach the maximum amount of beneficiaries from the target group. Furthermore, the physical participants of the above-mentioned road-show events will be used as ambassadors to share the gained knowledge and distribute the materials among their networks. Finally, all materials will be available online for free on a dedicated web page and shared among relevant stakeholders.

ACTIVITY 2 – EVENTS (COMMUNICATION, ROADSHOW AND MENTORING)

The educational and awareness-raising roadshow is based on experience from the earlier implemented ROSE CR project, the locations are selected in a way that the roadshow covers regions of Estonia with a higher density of Ukrainian refugees, based on the data of the Ministry of Interior of the Estonia.

The suggested locations for the roadshow cover most of the regions, these are: Tallinn (North Estonia), Pärnu (West Estonia), Tartu (South Estonia), and Paide (Central Estonia). The expected timeline for the roadshow is September 2024 and January 2025. Depending on the interest among the target group, the event in Paide might be replaced by a repeated event in Tallinn, which has the largest population of Ukrainian refugees, at the beginning of 2025. Alternatively, several small mentoring sessions can be organized, if requested by the participants.

The timeline is suggested in a way that it provides enough time for the project team to ensure the organizational matters, search for new partnering organizations and NGOs and spread the invitations to the target groups. In each city, the training is planned as a 1-day-long activity.

The general outline of the content corresponds to the proven concept from the ROSE CR project, dividing the training day into:

(a) **PART 1 – Remarks from relevant organizations that support new entrepreneurs including EVEA, regional business development centers, Employment Board and NGOs.** Representatives of the public bodies are important participants of the roadshow to get public authorities more involved in a structured and constructive way in entrepreneurial support to Ukrainians.

(b) **PART 2 – Sharing examples from practice by Ukrainians that already successfully started their business.** Meeting already existing refugee businesses and people interested in starting a business allows them to learn from others’ mistakes and receive valued tips on the way to self-employment.

(c) **PART 3 – Thematic sessions by experts, individual consultations and mentoring.** By enabling participants to discuss their business ideas with relevant experts, we increase the chances of pursuing the idea and going through the process of starting a business. To build on the feedback received during the ROSE I project from the participants, it is planned to include to the consultation phase also representatives of financial institutions like relevant banks that currently provide loans to Ukrainian refugees/immigrants and/or financial and tax advisors, insurance and legal advisors and similar who provide help with fulfilling the financial obligations of entrepreneurs in Estonia. The advisory and mentoring support will also continue after the roadshow, organized by EVEA on demand, individually or in small groups. This is especially important, as starting a business requires resilience, determination, and adaptability—qualities that are essential for overcoming the challenges faced by refugees. Through mentorship and advisory support, refugees can develop the skills and confidence needed to navigate obstacles and build successful businesses despite their circumstances.

(d) **PART 4 – Participants networking**. The final informal phase of the training day allows participants to find like-minded individuals and network. EVEA will facilitate the networking also after the roadshow, by means of creating a specialised group in Facebook, organizing mentor-network and providing other support to the entrepreneurial-minded Ukrainians in Estonia.

SME Norway will attend the roadshow and present possibilities of entrepreneurship in Norway, being represented by min. 1 staff member. Since the Norwegian Embassy has also already shown interest in the project activities, it is expected to invite its representatives to attend the events as well. Similarly, other representatives of Norwegian organizations that have been involved in the ROSE CR project (e.g., Brønnøysund registeret, Innovation Norway, Startup Migrants, IVDK Hub For Ukrainians) will be invited to attend the roadshow on the expenses of their home organizations. To enhance the connections with the entrepreneurial organizations in Ukraine one representative from SME United (the European umbrella organization for both SME Norway and EVEA) will be participating in the roadshows. The traveling costs and expert fees of this person are included in the project budget.

Each training day of the roadshow is expected to host min. 15 participants. In total, a minimum of 60 in-person participants is expected. The roadshow will take place in a hybrid form, the core training taking place via personal participation and the whole training will be recorded and uploaded online on the video streaming channels of EVEA ( web-site, YouTube) to enable access of broader audience. In ROSE CR the recording has proved to be a valuable part of the training as many participants have reached out to the promoter apologizing for not being able to participate on the set date but still wanting to receive the provided information. The uploaded recording of the ROSE CR roadshow already reached 130 views (see <https://www.youtube.com/@asociacemalychastrednichpo662/videos>). During the training days the participants will be provided with refreshments and lunch.

After each day of the training, participants will be asked to fill in an evaluation questionnaire to provide the project team with feedback in order to keep increasing the quality of services offered and to better target the identified needs. The secretariat has already been sent an evaluation of the already received feedback from the first part of the project roadshow organized in the ROSE CR project. This data was used as a basis for this proposal.

For the entire roadshow, the team will use all the promotional materials like the workbook with the step-by-step guide in Ukrainian and Estonian language and the awareness-raising leaflets. The project website will be regularly updated with news from the project activities, relevant events, partners and local business organizations and NGOs.

ACTIVITY 3 – PROJECT MANAGEMENT AND ADMINISTRATION

This activity will be performed by experienced project managers from both side, on part-time basis. EVEA will take responsibility for the overall coordination of activities and reporting.

**Activity and the role of the applicant**

EVEA (Estonian Association of SMEs)[[4]](#footnote-4) is a non-governmental, non-profit national association of SMEs and self-employed in Estonia, which performs representative and advocacy functions for small and medium-sized businesses and entrepreneurs as a social group. EVEA was established in 1988 and has already 35 years of history of representing SMEs and being a recognized partner in Public-Private Dialogue. The main goals of EVEA are to maintain a favorable entrepreneurial environment in Estonia as the basis for economic growth and social stability and to promote entrepreneurship as a lifestyle.

EVEA is the largest business representative organization in Estonia with appr. 6000 members across all sectors of the economy. EVEA is also the only cross-sectoral organization representing exclusively SMEs and self-employed.

Alongside the advocacy function, EVEA provides various practical services to its members, incl. training and advisory support in the fields of economic legislation, management, personnel, administration, sales promotion, financing, public support programs, internationalization, green transition and digitalization. It also works as a large business network and platform for developing business relations between its members.

EVEA is governed by a Council of 13 members–SME owners, working voluntarily. EVEA’s main activities are financed by membership fees.

EVEA has strong connections with the Estonian business community, good partnership relations with various public and private bodies that influence or support entrepreneurship, as well as with universities, vocational training institutions, banks, and other business and professional associations.

EVEA has a wide network of International partners, being a member of 2 pan-European organizations: SMEunited and European Entrepreneurs - CEA-PME. It also has strong bilateral cooperation links with Nordic, German, Baltic and Eastern Partnership area SME organizations.

Throughout its 35-year history, EVEA has participated in numerous cross-border, transnational, and domestic development projects, funded by various donors, including but not limited to EC, CIPE (US), the UK government, the Estonian government, and others.

**The role of EVEA in this project** is that of a lead partner or promoter, responsible for the overall implementation and coordination of the activities, administration and reporting to the financing authority. EVEA will also be responsible for outreach to the Ukrainian community in Estonia, communication and marketing of the project activities, technical organization of events, development of the educational materials and set-up of the electronic channels for keeping the information and training resources available also after the end of the project.

EVEA will also provide the participants of the project with a strong network of contacts in the local business community, including fellow entrepreneurs, mentors, advisors, and potential clients or partners. Networking can provide valuable support, advice, and opportunities for collaboration.

**Activity and the role of the Norwegian partner**

SME Norway[[5]](#footnote-5) is an interest organization for small and medium-sized companies. It was established in 1992 and works to influence business policy for the benefit of small businesses and also runs course activities, and advice for members. The association works to safeguard the interests and living conditions of smaller companies and to be a strong voice in the public debate on matters that concern the country's business community.

SME Norway has approx. 5,000 members across Norway. The member companies span across most industries, where construction, retail, industry, and professional-technical services are the largest. The majority of the member companies are small and medium-sized companies, and approx. 50% have less than five employees. The member companies employ more than 25,000 people. Through membership in SME Norway, the companies get access to many benefits, such as free legal advice by email and telephone, tailored insurance solutions, useful tools, relevant courses, and attractive meeting places. SME Norway is an environmentally friendly business. By focusing on, for example, the working environment, energy use, and paper use, the association has received the Environmental Lighthouse certificate. SME Norway is also one of the founders of the Environmental Lighthouse Foundation and has been represented on the board of the foundation for several years. The encouragement goes to all member companies to take care of the social responsibility that follows from running a business.

**The role of SME Norway in this project** is to provide expertise, competence, and experience in starting and running a small business in Norway, enable knowledge transfer from Norway to Estonia, and support efficient on-spot help to Ukrainian refugees. This will be achieved in this project through in-person and online training.

**Project timeline**

The proposed duration of the project is 11 months, starting in June 2024, depending on the date of approval by the Joint Committee for Bilateral Funds, and ending on 30.4.2025. Please see below the detailed schedule of project activities.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Project activities | From year | Quarter | Month | To year | Quarter | Month |
| Start of the project, detailed planning of the activities between the partners | 2024 | 2. | 6 | 2024 | 3. | 7 |
| Development of educational materials | 2024 | 2. | 6 | 2024 | 3 | 9 |
| Awareness-raising roadshow with training for refugees and follow-up mentoring on demand | 2024 | 3 | 9 | 2025 | 2. | 4 |
| Communication, coordination, project management, administration | 2024 | 2 | 6 | 2025 | 2 | 4 |

**Risk analysis and mitigation:**



1. FORCE MAJEURE – experience from the Covid-19 pandemic as well as existing geo-political conflicts close to the implementing country proved that possible unexpected events and restrictions may influence project implementation. All activities will be thus prepared with sufficient protective measures to keep both sides and participants safe. All regulations, restrictions and safety recommendations which will be in force in respective countries by the time of the training and other events will be followed. In case of being incapable of implementing the planned activities in person, both partners are prepared to discuss adaptation to the changed situation, e.g., by transforming the activities into an online format, after a necessary agreement with the financing authority.
2. INSUFFECIENT INTEREST FROM THE TARGET GROUP – This may be caused e.g. by delayed or missing information, or difficulty in combining participation in the event with the working time of some participants. To prevent the risk, from the very beginning active communication and collaboration will be conducted with the leaders and social networks of the local Ukrainian community. The events will be planned well in advance and recorded for future review by those, who could not participate in person.
3. FINANCING ISSUES – Both partners have solid financial situations and are fully capable of bearing their costs according to the split of responsibilities, until the grant or its part is paid out.
4. PERSONALIA CHANGES - In connection to travel and scheduled events, it is crucial to bear in mind possible last-minute changes in involved staff. To prevent such changes, all dates, air tickets and accommodation will be purchased after the approval of both partners and with relevant insurance. In case of such changes, partners will be ready to replace one person with another.
5. TIME DELAYS - To prevent the risk of time delays, a timeline has been prepared and will be followed and updated throughout the project implementation period. However, if necessary, the duration of the project has some buffer and the partners are ready to be flexible and adjust the schedule accordingly. Major time delays will be discussed with the financing authority.
6. OVEREXPENDITURE OR NEED TO CHANGE THE BUDGET - It is necessary to monitor expenditures from the very beginning for successful project implementation. To prevent the risk of overspending a detailed break-down budget will be approved by the partners and followed throughout the project. All expenditures will be made with full transparency and based on the best price and quality ratio.

Each partner will be responsible for the budgetary discipline and eligibility of the costs. The lead partner will organize accounting and financial reporting. If the need arises to modify the activities and the budget outside the flexibility rules allowed by the program, the partners will ask for approval from the financing authority.

**Communication plan:**

Both EVEA and SME Norway have their communication departments, and disseminating information about this project will be an integrated part of their daily work during the whole project.

One of the most important and intensive activities will be the outreach to the Estonian community of Ukrainian immigrants and war refugees. This will be done with the assistance of the two main organizations of the Ukrainian diaspora and in cooperation with the Embassy of Ukraine in Estonia. The initial consultations with the abovementioned organizations have been already held.

During the project, a dedicated website on the domain of EVEA, a Facebook group and a mailing list will be created, to facilitate communication with the target group and participants of the project, also after the end of the project period.

The EEA and Norway grants will be mentioned in all information distributed by SME NORWAY and EVEA related to the activities of the project. This includes press statements, posts in social media and the partners’ own websites and other internal and external communication.

The partners will also actively inform the local, regional and national media in order to give the project broader publicity both in Estonia and in Norway.

**Comments on budget expenses**

The total budget is planned at 82 000 Euros.

The costs of activities in the aggregated form are provided in table Activity Plan on page 1. A more detailed budget can be presented on request. The estimated split of the budget between the partners is:

EVEA: 55 000€

SME Norway: 27 000€

Due to the nature of the project, which is focused on knowledge transfer and creation of local business incentives, the project does not include the purchase of goods, tangible assets, systems or software. The costs include salaries and purchased services. Organizational and project management work will be mostly performed by the staff of the applicant and the partner. External experts and speakers will be involved from the Estonian side for the preparation of materials, setting up electronic channels, delivering presentations at the events, and mentoring.

The estimated budget was prepared by the project partners in cooperation. The estimations were designed based on fair division and logical structure of the project, focusing specifically on cost-effectiveness and financing of only the crucial activities and needs for the project implementation. The estimated budget includes solely expenditures that are necessary for the fulfillment of the project objectives and the achievement of the proposed results.

1. Please refer to the [Results Guideline](https://eeagrants.org/resources/2014-2021-results-guideline) [↑](#footnote-ref-1)
2. <https://estonia.mfa.gov.ua/en/partnership/108-ukrajinci-v-jestoniji> [↑](#footnote-ref-2)
3. <https://www.siseministeerium.ee/statistika-ukraina-sojapogenike-kohta> [↑](#footnote-ref-3)
4. [www.evea.ee](http://www.evea.ee) [↑](#footnote-ref-4)
5. [https://dinbedrift.no](https://dinbedrift.no/) [↑](#footnote-ref-5)