



G20

Young Entrepreneurs' Alliance

Entrepreneur visa program

How to create millions of jobs, one at a time

“How to boost entrepreneurship for promoting employment, with a special focus on youth employment?” asks the G20 China 2016 in its ‘ISSUE NOTE ON EMPLOYMENT’. This document is the G20 YEA discussion paper on that subject and brings very concrete solutions directly compiled from the experiences of the most representative and successful young entrepreneurs from the G20 countries.

Most of the world’s economies are facing slowing growth rates and rising levels of unemployment. Young people are particularly affected in this regard. Studies have shown that entrepreneurs account for more than 80% of job creation in many of the world’s economies. Young entrepreneurs hire more young people than average companies. G20 YEA young entrepreneurs highlighted that if it was easier for them to go international, they would create significantly more jobs.

As a matter of fact, only approximately 1,5% of the companies go international* – and among them 60% export in only one country. Many programs already support the 1,5%. Our goal is to bring ideas on how to support the remaining 98,5% who currently do not even try to take this export risk. What must we do to convince them so they see a clear benefit to become exporters, ideally in more than one country? Even an increase from 1,5% to 2% would entail the creation of millions of jobs.

G20 YEA believes that a more coordinated effort among the 20 countries, embracing a simple and clear process across the G20 could significantly motivate entrepreneurs to grow their businesses internationally. We call this coordinated effort “Entrepreneur visa program”.

Our idea is to have an “Entrepreneur visa program” based on the same principles as the Working Holiday visa, already in place in many countries : a similar and easy process among the G20 countries; mobility benefits; strong administrative simplification on topics relevant to young entrepreneurs; show a strong support for entrepreneurship.

Mobility

The G20 YEA recognizes that cross border mobility is a sensitive subject with some risks of abuses. But we also need to recognize that:

- Some young entrepreneurs and/or their key managers must travel more extensively and for longer periods of time than average travelers, when they want to develop their business internationally.
- Some young entrepreneurs may want to migrate, for a certain time or permanently, to start or develop their business.
- Some young entrepreneurs who have already immigrated are limited in their travel possibilities if they want to keep their status or become citizens.

Therefore we strongly recommend and advocate for the implementation of an up to two years visa, during which the young entrepreneur and/or one key manager and their families can conduct their business in foreign countries. It should be a **multi entry visa with a two years maximum length of stay**. Process to get this visa should be as simple as the Working Holiday visa. This new mobility possibility should never limit the right of immigrant entrepreneurs regarding their immigration or citizenship status. To limit abuses, G20 YEA has ideas of criteria that could be put in place to select the relevant candidates.

*According to US Small Business Administration



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Administrative simplification

Resources, time and knowledge are limited for young entrepreneurs. The ideal situation for them would be to be able to try to do business in another country, as if it was their own country, for a certain period of time. This period of time would allow the entrepreneur to validate his/her interest to develop his/her business in another country; and would give him/her the time to comply with the rules of the export country. Therefore we recommend

- a- Giving access and allowing entrepreneurs to conduct his business in foreign countries without having to register a company in the respective countries, during the period of the entrepreneur visa program.
- b- Giving access and allowing entrepreneurs to pay his taxes (corporate and personal) in his country of origin and not in his country of exportation during the period of the entrepreneur visa program.
- c- Giving access and allowing entrepreneurs to use man power without having to go through the process of hiring. Some countries have “umbrella companies”, some even public, who provide this service. It should be extended to all the G20 countries.
- d- To reduce the regulatory burden on young entrepreneurs thereby allowing them to focus on their core business and keep compliance cost low: Regulatory formalities requiring compliance with various labor, custom or environment laws are time consuming and difficult in nature. Often, new and small firms are unaware of nuances of the issues and can be subject to intrusive action by regulatory agencies. In order to make compliance for young entrepreneurs friendly and flexible, simplifications are required in the regulatory regimes. Accordingly, the process of conducting inspections shall be made more meaningful and simple.

Strong support for entrepreneurship

An entrepreneur visa program should allow the entrepreneurs to concentrate on what they do best: focus on core business. In order to encourage young entrepreneurs we recommend:

- a- Giving entrepreneurs an easy access to international mentorship : Organize mentorship programs in collaboration with government organizations, incubation centers, educational institutions and private organizations to help young entrepreneurs to build their network, get practical recommendations, get an easier access to finance etc
- b- To create a single point of contact for the entire entrepreneurship ecosystem and enable knowledge exchange, network construction and access to funding.
- c- To assist young entrepreneurs through their lifecycle with specific focus on important aspects like obtaining financing, feasibility testing, business structuring advisory, enhancement of local marketing skills, technology commercialization and management evaluation.

G20 YEA believes that a digital platform could be a good way to implement those recommendations.