



When the economy is driven by immigration: foreign entrepreneurship in Italy, between expansion and new generations.

In Italy, in 2021, immigrant entrepreneurship has grown surprisingly, despite the socio-economic vulnerability of migrants and being themselves the hardest hit by the pandemic. There are 642,638 registered "immigrant" companies, accounting for 10.6% of the total active companies in the country, with an increase of capital companies and of the incidence of the commerce and construction sectors.

Enterprises started by the new generations of immigrants show a strong transnational vocation, creativity, and innovation, but policies to support them are still resistant.

The *Immigration and Entrepreneurship Report* 2022, edited by IDOS and CNA, offers an overview of the self-entrepreneurial initiatives of immigrant citizens in Italy, at the community, national, and regional levels, using reliable data and statistics.

At the EU level, starting from the *Entrepreneurship 2020 Action Plan*, migrant entrepreneurship has been recognized as crucial for the future of Europe, particularly for the relaunch of the community's economic-production system after the financial crisis of 2008 and the pandemic of 2020.

According to Eurostat, self-employed workers make up 11% of foreigners working in the EU, and their number has tripled between 2001 and 2021 (from 675,000 to 1.7 million).

Also in Italy immigrant entrepreneurship is constantly expanding, even in years of crisis and despite the structural weakness due to the greater socio-economic vulnerability of the subjects involved (moreover the most affected during the pandemic crisis), and it is surprising for its consistency and its trend, in contrast to native entrepreneurship.

In 2021, there were 642,638 "immigrant" companies registered at the Chambers of Commerce, accounting for 10.6% of the total active companies in the country, with an increase of 1.8% compared to the previous year and of 4.3% compared to the end of 2019 (in contrast, companies managed by workers born in Italy decreased by -0.4% and -0.9% respectively). The first data available for 2022 still show growth, albeit at a slower pace: 648,083 at the end of September 2022, with an incidence on the entire entrepreneurial fabric that rises to 10.7%. It is mostly a "endogenous" phenomenon that starts from the "bottom-up" initiative of immigrants who have been settled in Italy for some time, with an increasing prominence of women-led enterprises (156,002, +48.1% in ten years). The *Report* highlights other peculiar characteristics of the Italian case, such as the predominance of micro and small enterprises among immigrant businesses (75.5% are individual enterprises), the increase in corporate companies (whose incidence on the total has gone from 9.6% to 16.9% in 10 years) and the sectoral concentration in trade and construction (respectively 32.9% and 23.5%), with specific tendencies towards specialization in certain national groups (for example, trade absorbs 67.3% of Moroccan entrepreneurs and 64.1% of Bangladeshis). Immigrant entrepreneurship also has a strong transnational vocation and often brings innovation and creativity, especially among new generations.

Given the limited turnover of the native workforce due to the ongoing "demographic winter" and the resurgence of emigration by skilled young people, the Report suggests that Italy should (i) support the structuring of the system of immigrant entrepreneurs, (ii) remove obstacles that discourage their birth and growth, and (iii) support their potential for innovation.

On this path, it seems particularly appropriate to join forces to develop an "Independent Observatory", such as the *Immigration and Entrepreneurship Report*, capable of monitoring and evaluating current policies and offering indications suitable for real needs, overcoming perceptions and commonplaces.

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