DIVERSITY IN THE ECONOMY AND LOCAL INTEGRATION (DELI)

LISBON

FINAL REPORT

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LISBON, May 2016

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Executive summary

This study aims to support the analysis and strategies concerning the role and development of immigrant entrepreneurialism in Lisbon. Prepared under the framework of DELI (Diversity in the Economy and Local Integration) project – city of Lisbon, it aims to: i) provide some basic socio-economic features about the foreign population of the city mainly based in quantitative secondary sources, and ii) present a basic and specific picture of immigrant entrepreneurial activities, mostly of micro and small size, based in the data gathered through a series of in-depth interviews applied to relevant stakeholders (immigrant associations, leaders of business organizations and some leaders of sectors related to municipal economic activities) in addition to 62 questionnaires applied face-to-face to immigrant entrepreneurs established in the city of Lisbon. Concerning the main secondary sources used, these involved statistical information provided by the Foreigners and Borders Service (SEF), data from the Census of 2011 (INE) and elements gathered in the Diagnostic Report of the Municipal Plan for the Integration of Immigrants in Lisbon (PMIIL). A short analysis of the legal norms and support measures that regulate entrepreneurial activities in Portugal and in Lisbon has shown that no legal distinctions between nationals and foreigners exist, being formal equality of rights the norm in this domain.

According to the Foreigners and Borders Service (SEF), in 2014 lived in the municipality of Lisbon - that matches with the city – 50 047 citizens with foreign nationality, mostly coming from non-EU countries. This corresponds to approximately 8,5% of the total of residents in the city, being the main foreign nationalities the Brazilians (more than 32% of all foreigners according to the 2011 Census), followed by Cape-Verdeans (7,9% of the total according to the same source), Chinese (6,5%) and Angolans (5,7%). When we analyse the statistical indicators about the resident population in Lisbon (Census 2011) we find that the percentage of active people (directly involved in the labour force) among foreigners is higher than that of Portuguese citizens. The percentage of unemployed foreign population is also higher than the value for the Portuguese population, reflecting the weakness of labour relations in this context, which worsened during the recent period of crisis.

Regarding the professional categories related to "small employers", Chinese and Bangladeshi citizens stand out, representing in such cases the "small proprietors of trade and services" respectively 27% and 14.8% of the total working population. It is important to underline that Nepalese and Indians also display proportions of small employers involved in these activities that are higher than the total recorded by the whole of the foreign population. Finally, the citizens of EU countries also display relatively high percentages in the category "Other small employers".

As far as the geographical distribution of foreigners is concerned, the citizens of the PALOP live in areas closer to the internal peripheral crown of Lisbon, particularly in the old parishes of Ameixoeira-Charneca, Carnide and Marvila. For these citizens we also record some over-representation in the inner city, namely in the parishes of São Paulo or Socorro. The Brazilian citizens, more disperse, constitute the majority of foreigners in areas like Benfica and São Domingos de Benfica (Lisbon west), but appear over-represented in more central areas characterized by ethnic diversity such as Arroios-Anjos. The Asians, as exemplified by the Chinese, the Indians, the Nepalese and the Bangladeshi are more concentrated and over-represented in the eastern surroundings of the historic centre, with emphasis on the Martim Moniz area and the Almirante Reis Avenue. In synthesis, the spatial distribution of Third-Country Nationals is Lisbon is marked by some concentration in inner city and in the internal border parishes of the municipality, particularly to the north. The central area of Lisbon emerges as a social gateway to the city being widely recognized and valued by the presence of ethnic and cultural diversity. In contrast, the more peripheral areas, which also concentrate some immigrant populations and social housing estates, are perceived as marginal places where immigrant' businesses have a more limited presence. The clustering of immigrant owned businesses takes place in the city centre and in inner city, especially to the east side, despite the interesting levels of dispersal of the functional units by several neighbourhoods of Lisbon.

If there are no formal restrictions to the entrepreneurial activities developed by foreigners, *de facto* constraints do exist and are significant; being the first and most relevant the command of Portuguese language. It is worth remarking that all legal documents related to business start and management are exclusively written in

Portuguese. This problem goes together with the issue of bureaucracy. Although simplified in the last years, the process of opening a business is not simple and this is stated by the interviewed immigrant entrepreneurs. Another difficulty consists in finding a place to rent where the business can be physically set up. Although not exclusive of foreigners, the need of a representative is a particular concern for the Non-EU entrepreneurs. Finally, the interviewed have also mentioned some discrimination, stating that some landlords refuse to rent their spaces to immigrants. Nevertheless, nowadays, the major difficulty that entrepreneurs' state is the lack of clients, an issue that cannot be dissociated from the current economic and social crisis. Despite these problems, the majority of the foreign entrepreneurs do not seem interested in closing their stores: half intends to continue the activity as it is in the present and about 40% of the respondents even assumed their desire to expand the business.

Concerning some basic features of the foreign businesspeople, these are younger than the average Portuguese micro and small entrepreneurs, display formal education structures with a higher presence of graduates and post-graduates (approximately 30% according to the survey conducted) and are clearly male dominated (85% of the businesspeople are men, that also represent 75% of the total labour force of the 62 businesses interviewed). The average number of workers in these establishments is 2,7 and the labour force is absolutely dominated by co-ethnics (only 7 out of the 169 employees are Portuguese).

Immigrant entrepreneurship in Lisbon has been quite robust and stronger than in the rest of the country. Becoming an entrepreneur seems to be: (i) a strategy to face unemployment or a choice to increase revenue and (ii) part of a planned path, sometimes the main reason why they have emigrated from their native country.

The contribution of immigrants to the dynamics of Lisbon economy is meaningful, not only in the city centre and in inner city but also in several residential areas scattered throughout Lisbon. The opening of a diverse set of business creates new jobs, promotes interculturality as well as the Lisbon cosmopolitanism. It also helps the innovation process in retail, through the implementation of new strategies (e.g. extended business hours) and the supply of new products and services. Food retail is probably the most relevant example. In the last two decades, with the changes in both cities and retail activities, this sector moved out of the city centre to peripheral areas. Nowadays, with the recent rediscovery of the city centre, immigrants and their food retail stores are supplying that area with this typology. Even with some difficulties to speak Portuguese, the range of clients clearly exceeds the members of the co-ethnic group. Thus, there is no ethnic enclave strategy; instead, the shops serve all kinds of consumers, with an obvious over-representation of Portuguese.

Having into consideration the characteristics described and the hindrances that have been identified, a few recommendations may be presented:

a) The creation of a system to gather and treat data related with economic activities in Lisbon. To support the analysis of immigrant entrepreneurs, that data should include information about the "geographical origin of the owners". In addition, a monitoring system of the Lisbon economic activities that could use the aforementioned databases should be set into place;.

b) In order to overcome the language barriers, the legal documents regarding the opening and management of businesses should be bilingual (Portuguese and English).

c) It should be discussed how it could be possible to introduce some limited positive discriminatory measures (considering that immigrants are a vulnerable group) in the processes of specific public contracting of services (e.g. food supply, particularly if non-Portuguese products and dishes are concerned), namely the ones performed by the City Council. Note that these measures are circumstantial and transitory and should be removed when the specific disadvantages of immigrants vanish.

d) The ethnic dimension should be more used in the promotion of city, in particular regarding the economic valorisation of diversity (for instance using it on the Lisbon Shopping Destination platform or as the basis for the creation of historical ethnic routes in the city). Finally, it would be useful to update the Lisbon Intercultural Guide and to think in a kind of Lisbon ethnic food festival.

1. Introduction: goals, sources, structure and methodological strategy

This Report aims to support the analysis and strategies concerning the role and development of an immigrant economy in Lisbon, namely the issues related to immigrant entrepreneurialism. Prepared under the framework of DELI project – city of Lisbon, it has two main goals: i) to provide some basic socio-economic features about the foreign population in Lisbon, mainly based in quantitative data, although complemented with some qualitative information provided by the services of the city municipality; ii) to present a basic and specific picture of immigrant entrepreneurial activities, mostly of micro and small size, based in the data gathered through a series of in-depth interviews and questionnaires applied to relevant stakeholders and immigrant entrepreneurs. The targeted informants with relevant elements for the understanding of immigrant entrepreneurialism in Lisbon included City Council representatives responsible for the area of economic activities, members of the sub-local authorities (parishes), representatives of immigrants' organizations and of business sectors, such as local retail trade.

Concerning the main secondary sources used in this Report, these involved statistical information provided by the Foreigners and Borders Service (SEF), data from the Census of 2011 (INE) and elements gathered in the Diagnostic Report of the Municipal Plan for the Integration of Immigrants in Lisbon (PMIIL). This has been complemented with some qualitative information about spatial clusters of immigrant businesses that has been provided by the municipal staff working in the 5 decentralised management areas (UIT) of the city of Lisbon. The data collected have undergone basic statistical and cartographic treatment and are displayed in the format of tables and maps along this report.

With purpose of complementing the contents of the Report, a short section about the legal norms and support measures that regulate entrepreneurial activities in Portugal and in Lisbon has been included. As far as Portuguese norms are concerned, no legal distinctions between nationals and foreigners have been identified in this domain, as stated in section 2 of this document.

The relevance of studying immigrant entrepreneurs in Lisbon is justified by both, the importance of the foreign population in the city (according to SEF, it is the municipality of the country with the largest foreign population – 46 400 people in 2013 – and one of the few that experienced a continuous, though limited, increase during the recent crisis years) and the over-representation of immigrant's entrepreneurial initiatives of various kinds, that are particularly visible in some spatial clusters of shops and services. As in other cities of Europe, some of these businesses offer specific products (ethnic restaurants, African hairdressers, etc.…) that contribute to alter some consumption habits of the local population, change the "trade landscape" of some neighbourhoods and have an impact on other dimensions of the commercial offer (e.g. the diversity and competitive prices of the Chinese non-food trade; the extended hours of the Bangladeshi corner shops; the once innovative strategies of the Ismaili businesspeople involved in furniture trade).

In addition to this "Introduction", this document is structured in four key sections. The first one (section 2), provides basic information about norms and incentives targeting business activities in Portugal and Lisbon. The second one (section 3) presents a short socio-economic analysis of the foreign population in Lisbon, followed by a preliminary overview of the spatial distribution of immigrant commerce in Lisbon, based in the aforementioned qualitative data. In section 4, the results obtained with the survey applied to immigrant entrepreneurs and also with the interviews to stakeholders are displayed and analysed. The intention of narrowing the focus and analysing a specific activity branch with a high presence of immigrants is materialised in section 5 which presents the case of the sector of ethnic restaurants in Lisbon.

Finally, the last chapter (section 6) synthesises the main findings of this small research and presents a few policy recommendations.

METHODOLOGICAL STRATEGY

If the statistical information obtained from the various official sources allows us to know the evolution of the number of foreign nationals in Portugal and Lisbon, to establish their socio-demographic characteristics and to respond to questions about the conditions for economic integration and involvement in the labour market, the specific diagnosis of immigrant entrepreneurship appears limited by a large deficit of information. Actually, as the variables "nationality" or "place of birth" of the owners of the businesses are not required in the formal expedited procedure for setting up a new business and are not processed by official national or municipal entities, it is not possible to make the characterization of the firms that are "property of immigrants ", or proceed to the identification of its location in the city.

In order to overcome this limitation in the short time available for the execution of the study, it was decided to apply a questionnaire[1] to a sample of foreign entrepreneurs settled in Lisbon[2] that allows the collection of information on the characteristics of the entrepreneur and employees, the firm (year of foundation, size, etc.), customers, as well as expectations regarding the future and the constraints and perceived opportunities (see Annex 2). A set of ten interviews targeting immigrant associations, leaders of business organizations and some leaders of sectors related to municipal economic activity provides additional information regarding the situation of immigrants businesses, it's positioning in the context of economic activities of the city and also their constraints and potential.

INTERVIEWS

- Associação da Hotelaria, Restauração e Similares de Portugal – AHRESP (Association of Hotels, Restaurants and Similars of Portugal)
- Associação Caboverdiana (Cape Verdean Association)

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[1] This questionnaire was applied to a sample of 62 businesses. This corresponds to an illustrative sample and not to a representative sample, impossible to obtain in the short period (5 months) in which it was developed this study. In addition, the absence of administrative data that allow us to identify businesses owned by immigrants or foreigners not only prevented the identification of the full universe of analysis but also of its key characteristics such as geographical location in the city, concentration in some economic activities and immigrant group specialization. In order to overcome these constraints, a tentative stratification of the sample on the basis of qualitative information regarding the three aforementioned characteristics has been applied.

[2] All these entrepreneurs had a non-EU background and most of them were non-EU nationals. However, some had double (EU or Portuguese and other) or even single European citizenship (only two cases, one from France and the other from the United Kingdom).

- Casa do Brasil (Brazil House)
- Associação do Bangladesh (Association of Bangladesh)
- Comunidade Islâmica de Lisboa-CIL (Islamic Community of Lisbon)
- Gabinete de Apoio ao Empreendedor Migrante do Alto Comissariado para as Migrações (Office to Support the Migrant Entrepreneurship of the High Commission for Migration)
- Gabinete de Apoio ao Imigrante Sobreendividado do Alto Comissariado para as Migrações (Office to Support the Immigrant Over-indebted of the High Commission for Migration)
- Gabinete de Apoio Jurídico ao Imigrante do Alto Comissariado para as Migrações

  (Office of Legal Immigrant Support of the High Commission for Migration)
- Gabinete de Apoio Social do Alto Comissariado para as Migrações

  (Office of Social Support of the High Commission for Migration)
- Gabinete de Apoio ao Emprego do Alto Comissariado para as Migrações

  (Employment Office of the High Commission for Migration)

2. Regulatory norms and Support Systems

Immigrant entrepreneurship is not constrained by any particular mechanism or regulation. As long as foreign immigrant entrepreneurs[3] are in a regular situation, they have the same possibility as Portuguese to create and open businesses and shopping facilities. This process is currently simplified and debureaucratized, tackling the *status quo* in force until some years ago. The basis of this simplification had its origin in the public program *Simplex*, created in the middle of the first decade of the new millennium.

As a result of this simplification of administrative procedures, business can be created online at the Citizen's portal[4]. It is required the personal ID card, passport or residence permit. Since 2011, the installation / modification / closure of retail, services and restaurants is anchored in the same debureaucratized basis, when the Decree-Law 48/2011 set the foundation of Zero Licensing (*licenciamento zero*) (see Box 1). About these procedures the Association of Hotels, Restaurants and Similars of Portugal (AHRESP) said that “today the process is simple, just the declaration of beginning of activity, in which the promoter and a group of technicians ensure that everything is according to the rules”. According to this regulation, the administrative permission for opening and modification of establishments of drinks, trade of goods, services or storage is replaced by a mere prior notification completed in an electronic window (called Entrepreneur Desk - *Balcão do Empreendedor*), which provides the elements necessary to verify the compliance with the legal requirements. This operation has no cost. However, the "prior notification" is compulsory and must be accomplished by filling in the electronic form available in the Lisbon City Council website.

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[3] The meanings of *immigrant* and *foreigner* are not identical. Whereas international immigrants are those people that left a country and have settled in another one for a relatively long period (at least more than 3 months or even more than year, if we consider the category “permanent migrant”), foreigners correspond to the persons that have a formal nationality other than the one of the country where they currently are. Therefore, several immigrants are not formally “foreigners” as happens with those that have obtained the nationality of the destination country via a naturalization process. Although less common, there are some foreigners that have never been migrants such as the children of foreign parents that are born in the destination country and got the nationality of the parents (and not of the country of birth).

Despite the acknowledgement of this difference, in this report, the terms *immigrant* and *foreigner* are used interchangeability and refer to foreigners settled in Lisbon or owning a business in the city.

[4] https://www.portaldocidadao.pt/pt/web/instituto-dos-registos-e-do-notariado/empresa-na-hora-criacao

BOX 1. ZERO LICENSING

The Zero Licensing is an initiative included in the Simplex program that seeks to make the opening of some businesses easier by eliminating the need for permissions, prior reports and inspections.

The Zero Licensing also aims at the dematerialization of the licensing process by reducing the bureaucratic burden and costs inherent to it. To do so, the entrepreneur's desk was created and aims to serve as a contact point (electronically) between citizens and public administration. The big change this regime imposed is the replacement of an administrative permission (i.e. license) for installation and modification of establishments by a mere prior notice performed in the entrepreneur's desk.

The main activities that see their licensing process simplified are restaurants and drink's establishments, food retail, and some services that may involve risks to the health and safety of people (e.g. garages).

The legislation that anchored this initiative is the Decree-Law No 10/2015, entitled RJACSR – Legal Regime of Access and Functioning of Retail, Services, Restaurants and Cafés (*Regime Jurídico de Acesso e Exercício de Actividades de Comércio, Serviços e Restauração*).

http://www.portaldolicenciamento.com/licenciamento-zero.html [accessed on 04/12/2015]

Considering the absence of specific limitations for immigrants, in fact, the main restrictions may arise from some challenges already identified within this project, such as access to financial resources, discrimination, distrust and prejudice, lack of understanding of juridical and legal complexity, feasibility / sustainability of businesses and bureaucratic mismanagement. In this context, the Office to Support the Migrant Entrepreneurship of ACM[5] said that "Everything that is done in Portugal for business is transversal to Portuguese and immigrants, there are no significant differences". Despite these limitations, based on the existing diagnosis in the Municipal Plan for the Integration of

[5] ACM stands for Alto Comissariado para as Migrações (High Commission for Migration).

Immigrants in Lisbon (PMIIL) (2015) and other studies (e.g. Malheiros, Padilla and Rodrigues, 2010) it can be seen that the choice of entrepreneurship and self-employment is often an alternative to overcome the difficulties to enter the Portuguese labour market.

With regard to available formal incentives to business start-up and development, one may distinguish, among others, the ones intended to support the employment of workers and those concerning the company itself. In the first case, the Employment and Vocational Training Institute (IEFP) provides incentives for the recruitment of staff, as long as the business is legally established and complies with legal requirements of the Taxing Authority and Social Security. In the second case, the incentives may have a sectoral basis or a more transversal nature. Concerning the sectorial approach, there are some public programs managed or intermediated by the Institute of Support to Small and Medium Enterprises and Innovation (IAPMEI) who provide financial support for retail, services, restaurants and cafés. Recently two programs stand out: MODCOM and *Comércio Investe*, the latter still in place. With a transversal component there are available resources for the development of various dimensions of the economy of Portugal and its regions. In this case, we highlight the EU funds, either through QREN (National Strategic Reference Framework from 2007-2013), or through the latest Horizon 2020 (2014-2020).

Whatever the type of support, so far we have not identified any kind of formal constraints for immigrants with a legal status. Thus, it seems more relevant to understand whether the abovementioned restrictions turn out to be really decisive in the access and use (or lack thereof) of existing incentives, a situation which will be clarified with the help of data obtained through questionnaires and interviews that will be presented in section 4.

3. Immigrants in Lisbon

According to the Foreigners and Borders Service (SEF), in 2014 lived in the municipality of Lisbon - that matches with the city – 50 047 citizens with foreign nationality, mostly coming from non-EU countries. This value represents between 8% and 9% of the total of residents in the city[6]. Lisbon is one of the two municipalities in the country - together with Sintra, also in the Lisbon Metropolitan Area (AML) - with the highest numbers of foreigners. It should be noted that, according to SEF data, the growth of foreign population between 2009 and 2014 in the municipality of Lisbon goes against the general trend of decrease observed in AML and in Portugal (see Table 1).

Table 1. Foreign population resident in Portugal, in AML and in Lisbon, 2006-2014

		2006	2007	2008	2009	2010	2011	2012	2013	2014
Portugal	Number	420.189	435.736	440.277	454.191	445.262	436.822	417.042	401.320	395.195
	Rate variation	-	3,7	1,0	3,2	-2,0	-1,9	-4,5	-3,8	-1,5
AML	Number	-	-	226.641	232.167	223.236	219.491	213.131	206.956	205.669
	Rate variation	-	-	-	2,4	-3,8	-1,7	-2,9	-2,9	-0,6
Lisbon	Number	-	-	43.527	44.548	44.784	45.626	45.915	46.426	50.047
	Rate variation	-	-	-	2,3	0,5	1,9	0,6	1,1	7,8

Source: SEF, data. http://sefstat.sef.pt/

Having the aforementioned elements into consideration, it becomes clear the attractiveness of Lisbon for immigrants. The city is characterized by its economic and social dynamism and also for a wider and more diversified offer of employment in the national context. These elements are reflected in immigrant entrepreneurship, who finds here better conditions to settle in and develop, namely due to the presence of a larger potential customer base, both immigrant and non-immigrant.

[6] Like the last population count was made in Census 2011, it is not possible to know the actual total number of residents by the end of 2013 or 2014 to compare with the SEF records. In addition, the value of foreign population living in Lisbon presented by SEF tends to exceed the one presented by other sources such as the Census. Thus, it is preferred to refer, to the current moment (2014-2015), a plausible reference range and do not indicate an exact percentage that certainly would be incorrect. However, the percentage of foreign residents in the city is presented later, for 2011, based on information from the Census conducted that year.

When Oliveira (2004) analysed immigrant entrepreneurship noted that this has increased significantly in Portugal. This dynamic exceeds the native entrepreneurship, but a spatial reading reveals some concentration of the phenomenon in certain regions of the country. Actually, setting a new business, both for immigrants and non-immigrants, is conditioned by the characteristics of each context, which go together with the existing opportunities and/or barriers. Finally, also according to this author, Lisbon is one of the municipalities where the percentage of foreign employers in the total of foreign residents reaches higher levels in the country (Oliveira, 2004:16).

3.1. General characterization of immigrants in Lisbon

Very briefly we will present a portrait of the foreign population resident in the municipality of Lisbon.

In 2011, according to data Census, 5.8% of the resident population in Lisbon had foreign nationality. Brazilians are the most representative group with 10 288 citizens (32.3% of all foreigners), followed by Cape-Verdeans (2 499), Chinese (2 072) and Angolans (1 805) (Table 2).

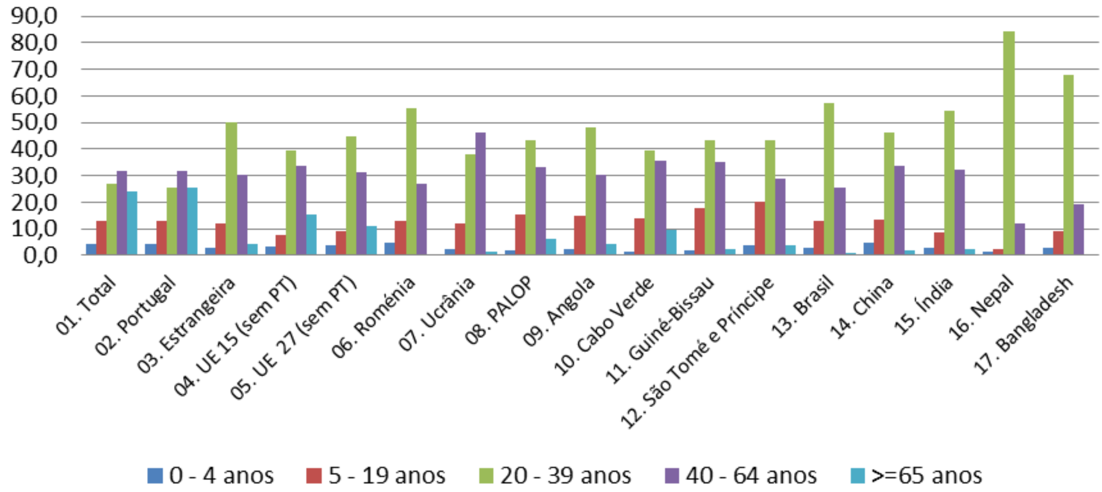
Table 2. Residents in Lisbon by main nationalities, 2011

	N	%
01. Total	547.733	100,00
02. Portugal	499.702	91,23
03. Foreign	31.833	5,81
04. European Union (15 without PT)	4.532	0,83
05. European Union (27 without PT)	6.547	1,20
06. Romania	1.426	0,26
07. Ukraine	1.454	0,27
08. PALOP	6.423	1,17
09. Angola	1.805	0,33
10. Cape Verde	2.499	0,46
11. Guinea-Bissau	1.037	0,19
12. São Tomé and Prince	733	0,13
13. Brazil	10.288	1,88
14. China	2.072	0,38
15. India	888	0,16
16. Nepal	754	0,14
17. Bangladesh	476	0,09

Source: INE, Census 2011

Through the analysis of age structure, we can see a high percentage of young adults and few elderly (Figure 1). This situation had already been detected in PMIIL Report (2015), which proved that "are non-EU foreign groups, particularly Brazilians, Indians, Bangladeshis and Nepalese but also Romanians, that stand out for this higher proportion of young people. However, the group of very young children, aged 0 to 4 years inclusive, is not yet representative". These characteristics support the contribution of the foreigners to the local birth rate and specially to the high percentage of working age population when compared to the situation of nationals.

Figure 1. Age structure of the residents in Lisbon, by nationality, 2011 (%)



Source: INE, Census 2011

When we analyse the statistical indicators about the resident population in Lisbon (Census 2011) we find that the percentage of active people (directly involved in the labour force) among foreigners is higher than that of Portuguese citizens (Table 3). Analysing the communities with higher proportions of active people, stand out those that are associated with more recent migration movements like Nepalese (82.2%), Ukrainians (74%), Romanians (69.1%) and Chinese (66.8%), in addition to Brazilians (75%). In respect of citizens from the PALOP, community with the highest longevity presence in the Portuguese territory, the percentage of active population is 55.6, a value lower than the one observed for the national groups previously mentioned.

Table 3. Active and inactive resident population in Lisbon by nationality (N. and %)

	Total	Actives		Inactive	
		nº	%	nº	%
01.Total	547.733	260.405	47,5	287.328	52,5
02.Portugal	499.702	230.705	46,2	268.997	53,8
03.Foreign	31.833	21.188	66,6	10.645	33,4
04.UE15 (s/PT)	4.532	2.632	58,1	1.900	41,9
05.UE27 (s/PT)	6.547	4.029	61,5	2.518	38,5
06.Romania	1.426	985	69,1	441	30,9
07.Ukraine	1.454	1.080	74,3	374	25,7
08.PALOP	6.423	3.572	55,6	2.851	44,4
09.Angola	1.805	914	50,6	891	49,4
10.Cape Verde	2.499	1.405	56,2	1.094	43,8
11.Guiné-Bissau	1.037	626	60,4	411	39,6
12.São Tomé and Prince	733	412	56,2	321	43,8
13.Brazil	10.288	7.712	75,0	2.576	25,0
14.China	2.072	1.384	66,8	688	33,2
15.Índia	888	574	64,6	314	35,4
16.Nepal	754	620	82,2	134	17,8
17.Bangladesh	476	331	69,5	145	30,5

Source: INE, Census 2011

The percentage of unemployed foreign population (Table 4) is higher than the value for the Portuguese population, reflecting the weakness of labour relations in this context, which worsened in the period of crisis, particularly in its first years. EU15 nationals register only 3.9% of unemployed population (lower value), which compared with the PALOP citizens denotes a big difference. There is a percentage of the 18.1% of unemployed among nationals from the PALOP that reaches higher values among the citizens of Guinea-Bissau (24.4%) and Angola (18.9%). It is worth mentioning that Indians and Bangladeshis, people over-represented in business activities, especially in small businesses, register unemployment levels lower than those recorded for foreigners as a whole.

Table 4. Resident population with 15 or more years according to nationality by condition of economic activity, in Lisbon (%)

	Total	Active Population		Inactive population
		Employed population	Unemployed population	
01.Total	477.239	48,1	6,5	45,4
02.Portugal	435.659	46,9	6,1	47,0
03.Foreigner	28.811	62,7	10,8	26,5
04.UE15 (s/PT)	4.114	60,0	3,9	36,0
05.UE27(s/PT)	5.891	62,1	6,3	31,6
06.Romania	1.242	66,7	12,6	20,7
07.Ukraine	1.331	68,7	12,5	18,9
08.PALOP	5.839	43,1	18,1	38,8
09.Angola	1.635	37,0	18,9	44,1
10.Cape Verde	2.316	45,0	15,7	39,3
11.Guiné-Bissau	934	42,6	24,4	33,0
12.São Tomé and Prince	626	49,5	16,3	34,2
13.Brazil	9.251	73,2	10,2	16,6
15.Índia	824	60,6	9,1	30,3
16.Nepal	738	69,4	14,6	16,0
17.Bangladesh	429	68,5	8,6	22,8

Source: INE, Census 2011.

Concerning the socio-professional groups of foreign active population according to the data of the Census of 2011, we find that the main areas are "administrative employees of trade and services” (29%), followed by the "unskilled workers” of the same activity branches (17.1%). Ranked in third place appear the "intellectual and scientific professions" (10.9%), situation that points to a polarised, though asymmetrical, insertion of the foreigners in the Lisbon socio-professional structure.

When we look to the nationalities of those citizens, it is possible to note that 43.5% of EU15 citizens and 31.5% of EU28 nationals have functions in the field of "intellectual and scientific professions". The scenery changes when we analyse data from PALOP foreigners where more than 60% of the active population are administrative employees of trade and services, with a very relevant proportion of unskilled (25.8%), value that discloses a systematic over-representation in low skilled tasks of construction and public works. Relatively to the nationals of Nepal, Brazil, Sao Tome and Prince and Cape Verde its activities are related mainly with trade and services (77.7%, 57.3%, 59.5% and 53.6%, respectively).

Concerning foreign residents inserted in categories related to "small employers", Chinese and Bangladeshi citizens stand out, because in such cases the "small proprietors of trade and services" are 27% and 14.8%, respectively, corresponding to the higher values of all nationalities listed in Table 5. Among the Chinese population this high number may be explained with their ambition of becoming the owner of their own business, stated by Yijing (2015:71) as of one of the main factors that led them to emigrate from China.

It is important to underline that Nepalese and Indians also display proportions of small employers involved in these activities that are higher than the total recorded by the whole of the foreign population. Finally, we should refer the high percentages of citizens of EU countries in the category "Other small employers" (Table 5).

Table 5. Active resident population per socio-professional groups by nationality, in Lisbon (%)

	Business owners	Intellectual and scientific professionals	Small employers of trade and services business	Other small employers / other self-employed / small business leaders and organizations	Technical, independent intermediate, intermediate administrative and technical frameworks	Service providers and independent traders	Directors and boards of state leaders, of medium and large companies	Administrative employees of trade and services	Skilled workers and semi-skilled	Administrative unskilled workers of trade and services	Unskilled workers	Other active people
01.Total	4,5	25,6	2,3	5,8	12,4	2,0	5,0	23,5	6,8	7,5	1,3	3,2
02. Portugal	4,5	26,9	2,1	5,8	13,2	1,8	5,3	23,1	6,4	6,6	1,1	3,1
03. Foreign	3,7	10,9	4,8	4,6	4,8	4,2	1,8	29,0	11,4	17,1	3,8	3,9
04. EU15(s/PT)	8,5	43,5	2,6	**8,3**	11,9	1,3	8,1	11,7	1,3	1,0	0,4	1,5
05. EU27(s/PT)	6,6	31,5	2,1	**7,1**	9,4	2,7	5,7	13,6	8,4	8,5	1,9	2,4
06. Romania	2,4	3,6	1,4	5,5	2,6	6,6	0,1	17,3	26,1	25,9	5,7	2,8
07. Ukraine	3,2	5,7	1,8	4,7	3,6	5,6	0,0	12,9	24,4	30,0	4,6	3,4
08. PALOP[7]	2,6	4,1	1,7	2,4	2,9	3,2	0,7	22,2	20,7	25,8	6,5	7,3
09. Angola	3,0	6,2	1,8	2,2	4,8	2,8	1,4	26,6	22,2	16,6	4,9	7,4
10. Cape Verde	1,9	2,3	1,9	2,4	1,9	4,1	0,1	19,9	18,1	33,7	6,5	7,3
11. Guinea Bissau	2,7	3,8	0,8	2,1	2,6	2,4	0,8	17,4	32,3	17,1	11,8	6,2
12. São Tome and Prince	3,2	1,9	1,0	1,5	2,4	2,2	0,5	26,7	15,5	32,8	4,6	7,8
13. Brazil	3,8	6,0	3,8	4,8	4,3	5,4	1,0	36,7	8,8	20,6	1,8	3,0
14. China	1,7	2,7	**27,0**	4,8	0,9	4,7	0,4	49,9	0,6	2,5	3,1	1,9
15 .India	1,2	5,1	**5,7**	2,4	1,9	2,6	0,3	29,6	16,7	5,7	24,9	3,7
16. Nepal	3,1	0,6	**6,8**	1,5	1,6	1,0	0,0	67,1	0,5	10,6	0,3	6,9
17. Bangladesh	0,9	1,5	**14,8**	2,1	1,8	4,8	0,0	61,3	0,6	5,7	1,2	5,1

Source: INE, Census 2011

[7] PALOP is an acronym for Portuguese-speaking African countries. In Portuguese: Países Africanos de Língua Oficial Portuguesa.

3.2. The spatial distribution of immigrants and immigrant businesses

The time constraints of this project, the lack of data provided by secondary sources, the dynamism of the trade sector and also of entrepreneurship in general, which refers to constant changes in types of business, branches of activity and locations, hinders a comprehensive collection of information on immigrant trade in Lisbon.

Thus, the development of the analysis of immigrant trade is based in some qualitative information provide by municipal actors in combination with field observation conducted in neighbourhoods where there is a higher concentration of immigrant trade followed by the application of a questionnaire to a small sample of businesses. A preliminary broad identification of the spatial distribution of immigrant businesses was a crucial resource to define the target territories where the questionnaires were applied. Having this goal into consideration, in a first moment we will combine the geographical distribution of foreign residents in Lisbon, according to the data of the 2011 Census, with the perceptions of the UITs[8] staff on the location of business units owned by foreigners. In addition to this, we will also revise some literature that mentions clusters of immigrant shops and services, often by activity branches, in various neighbourhoods of the municipality of Lisbon.

The use of the 2011 Census data made possible to obtain the spatial distribution of the foreign population by the formal parishes of residence in Lisbon, at the Census moment. It is important to mention that the parishes were subjected to an administrative reorganization following the implementation of the Decree Law 56/2012 of the 8th of November, which means that the actual parishes are different from the ones in force in

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[8] The UITs consist of five 5 local management areas in Lisbon: Northern, Eastern, Central, Western and Historical Center. In Portuguese: "Norte, Oriental, Centro, Ocidental e Centro Histórico". Through such management areas the Local Authority aims to intervene in public space and to solve problems identified in their territory with outreach work incorporating residents, parish councils, associations and other local partners (http://www.cm-lisboa.pt/zonas).

Much of the information used in this section of the report was collected in December 2014, during the formulation of the Municipal Plan for the Integration of Immigrants in Lisbon (PMIIL). Within the framework of that research, the UITs' staff were asked a set of questions about the immigrant presence in their territory of action including the type of immigrant trade and its spatial location. Responses were obtained for four out of the five UIT, having been the Historical Center the exception.

2011[9]. For the cartographic analysis that follows, it was decided to maintain the association of statistical information to the old administrative divisions corresponding to smaller areas, therefore allowing a more detailed picture of the residential distribution of foreign residents. With the purpose of facilitating a territorial reading that considers both the old and the new administrative divisions, is attached a map that overlaps the current 24 parishes of Lisbon - in accordance with the official Administrative Map of Portugal / CAOP 2013 - with the old 53 parishes (see Annex 1).

Technically, in this analysis we consider the spatial distribution of all foreign residents together and also of some groups of foreign nationals, by calculating the:

- "Concentration" of the foreign population by parish – represents the percentage of foreign residents of the group under review in the total number of foreigners living in the parish[10];
- Quotient of location of the foreign population by nationality – expresses the relationship between the relative weight of a particular group of the population (e.g. nationals of PALOP, of Brazil, etc.) in each parish and the relative weight of the same group throughout the entire study area (in this case the city of Lisbon). The reference values for the quotient of location are:

  QL > 1: The group is over represented in the parish;

  QL = 1: The relative weight of the group in that parish reproduces its significance on the entire study area (Lisbon);

  QL < 1: The group is under-represented in the parish.

[9] In several cases, the new parishes comprehend several of the old ones. Actually, the number of parishes reduced from 53 to 24.

[10] The “concentration" of the total foreign population by parish represents the percentage of foreign residents in the total residents in the parish.

In addition to the spatial distribution of the total foreign population was analysed the distribution of EU(27) nationals and also of non-EU foreign national groups with high expressions in the city or with a relevant presence in business activities. Thus, we consider the total number of foreigners living in Lisbon (Figures 2 and 3) and the national population of EU(27), PALOP, Brazil, China, India, Nepal and Bangladesh (Figures 4 to 17).

A first approach to the residential distribution of foreigners in Lisbon points to a greater presence of foreigners living in the inner city centre and its surroundings, especially the eastern extension along the axis of Rua da Palma-Almirante Reis and also in the peripheral parish of Ameixoeira-Charneca (Figure 2).

An analysis of the geographical distribution of foreigners on the basis of national groups shows some diversity, enabling the identification of populations with higher levels of geographical dispersion (Brazil, EU 27) than others (PALOP, China and India).

In residential terms, the citizens of the PALOP are closest to the internal peripheral crown of Lisbon, particularly in the old parishes of Ameixoeira-Charneca, Carnide and Marvila. For these citizens we also record some over-representation in the inner city, namely in the parishes of São Paulo or Socorro. The Brazilian citizens, more disperse, constitute the majority of foreigners in areas like Benfica and São Domingos de Benfica, but appear over-represented in areas characterized by ethnic diversity such as Arroios-Anjos. The Asians, as exemplified by the Chinese, the Indians, the Nepalese and the Bangladeshi are more concentrated and over-represented in the eastern surroundings of the historic centre, with emphasis on the Martim Moniz area and the Almirante Reis Avenue.

In synthesis, the spatial distribution of Third-Country Nationals is Lisbon is marked by some concentration in inner city and in the internal border parishes of the municipality, particularly to the north. The central area of Lisbon emerges as a social gateway to the city being widely recognized and valued by the presence of ethnic and cultural diversity. This territory functions as a meeting place, being a reference in terms of cultural diversity, gastronomic encounters and interculturality. In contrast, the more peripheral areas, which also concentrate some immigrant populations and social housing estates, are perceived as marginal places where immigrant businesses have a more limited presence.

Spatial distribution of the population with foreign nationality

Figure 2. Concentration of foreign population by parish, 2011

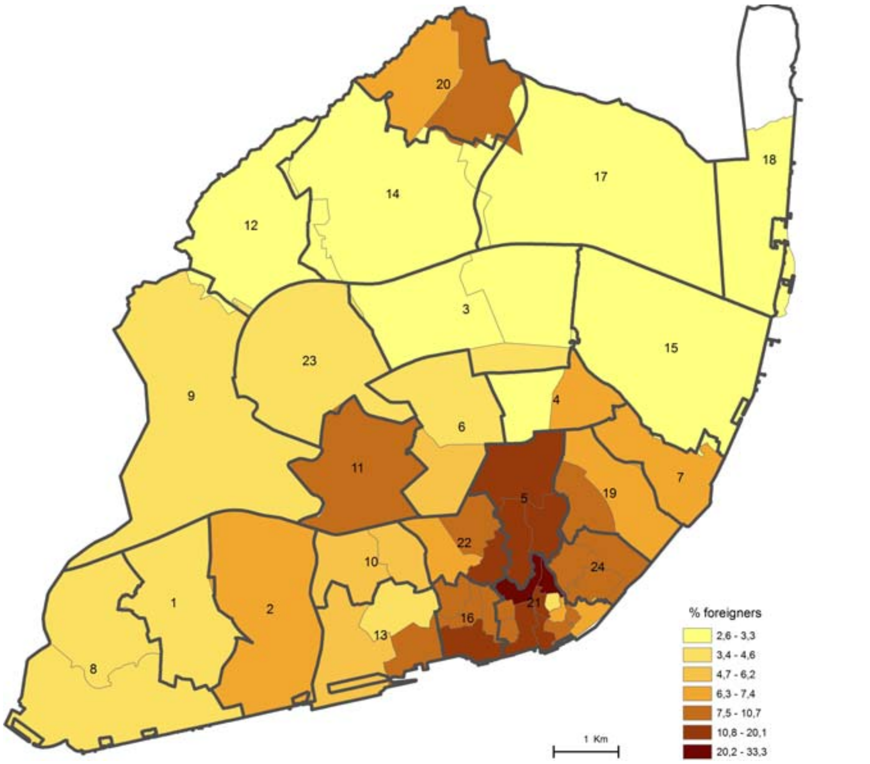
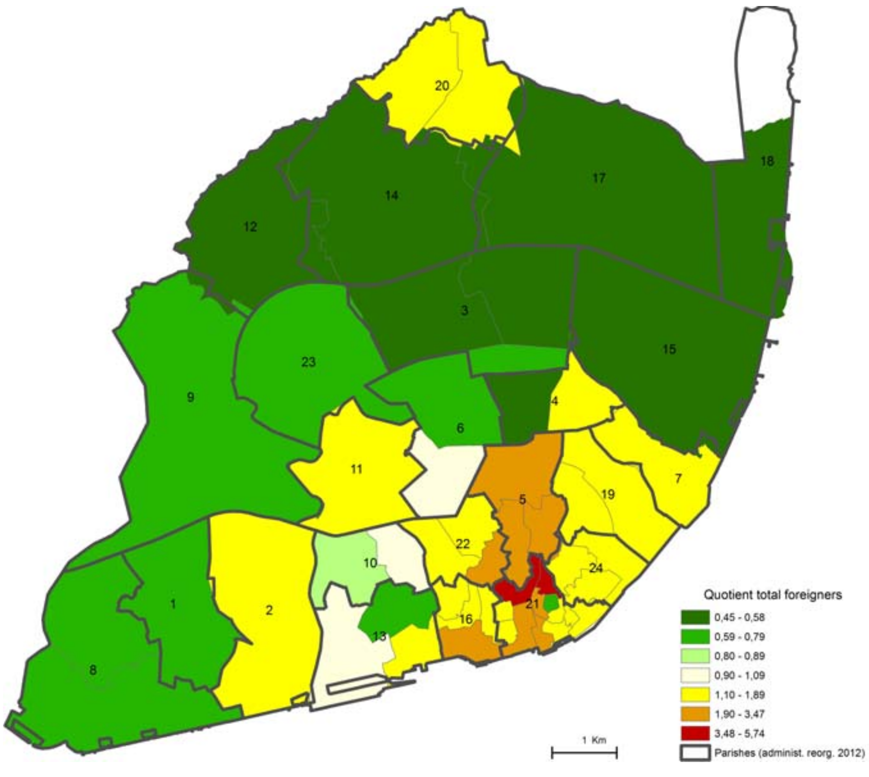


Figure 3. Quotient of location of the foreign population by parish, 2011



Spatial distribution of the EU (27) foreigners

Figure 4. Concentration of foreign population from EU (27) by parish, 2011

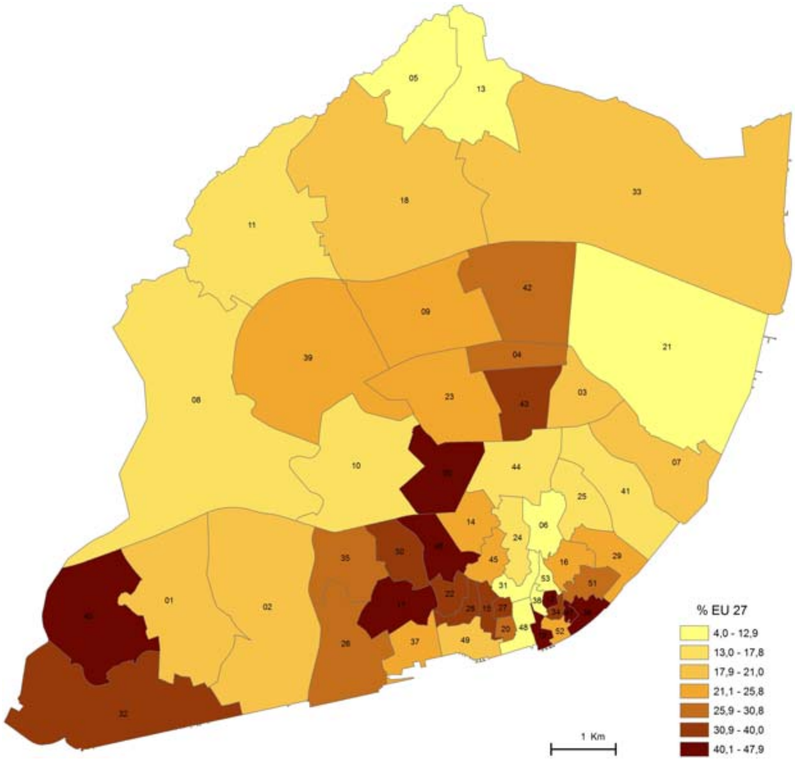
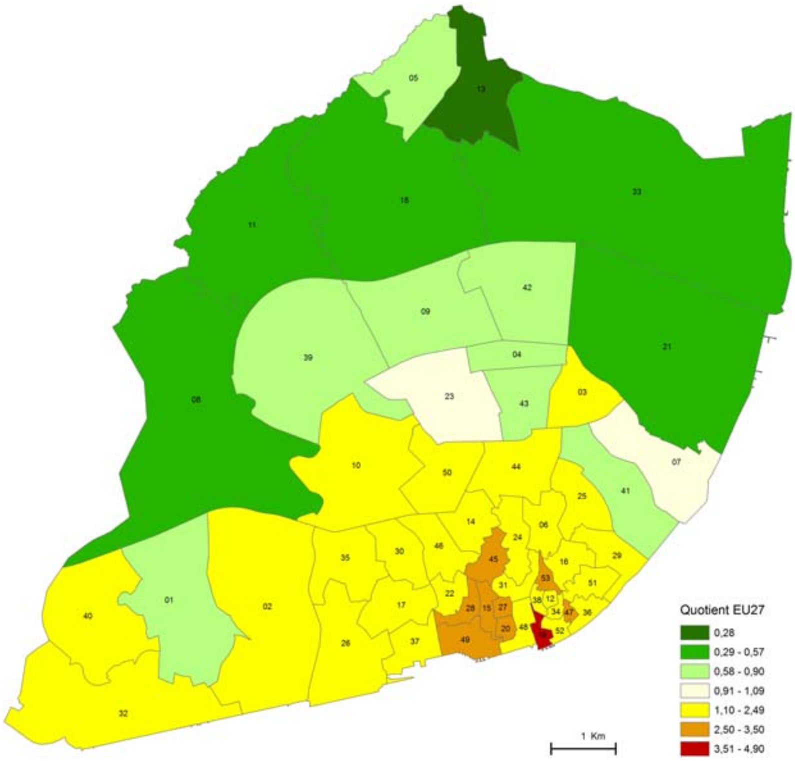


Figure 5. Quotient of location of the foreign population from EU (27) by parish, 2011



Spatial distribution of the PALOP citizens

Figure 6. Concentration of foreign population from PALOP by parish, 2011

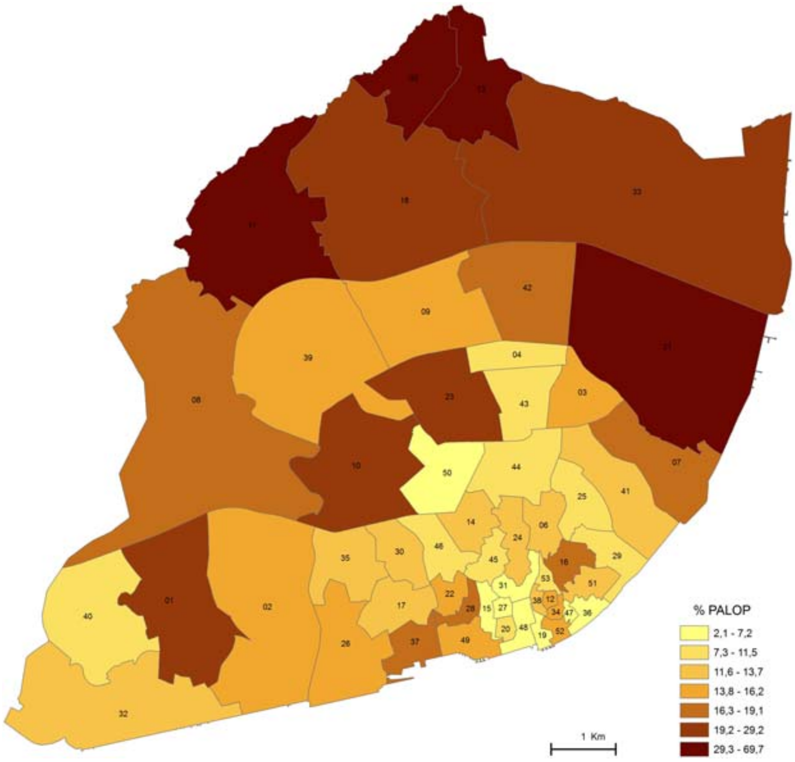
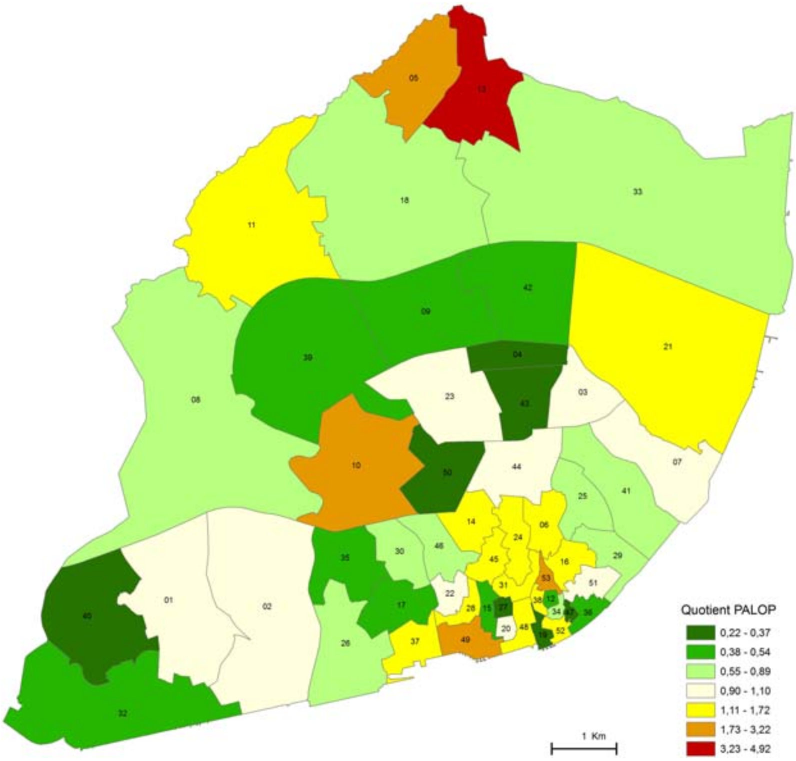


Figure 7. Quotient of location of the foreign population from PALOP by parish, 2011



Spatial distribution of the Brazilian nationals

Figure 8. Concentration of foreign population from Brazil by parish, 2011

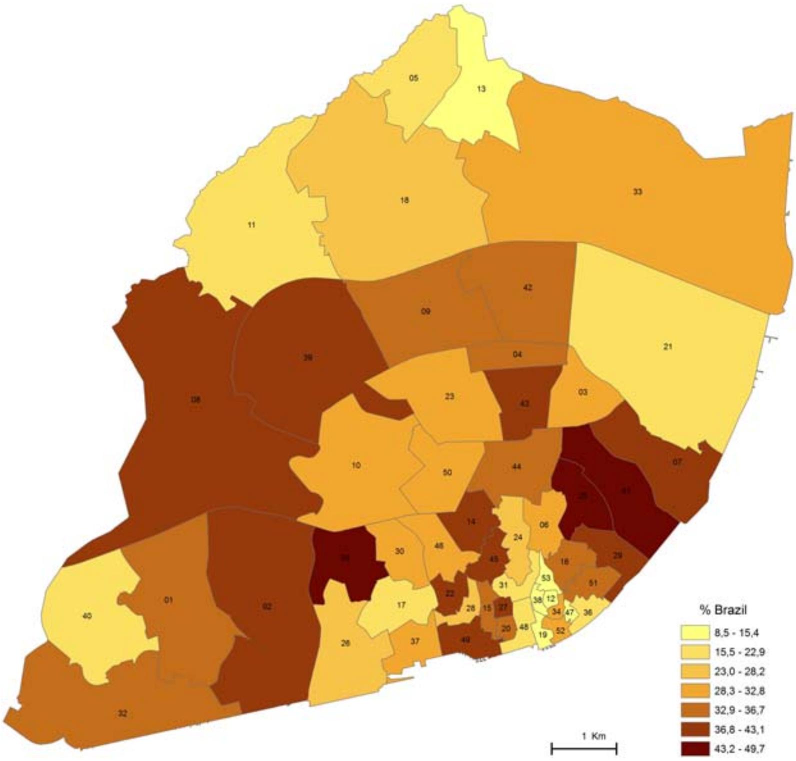
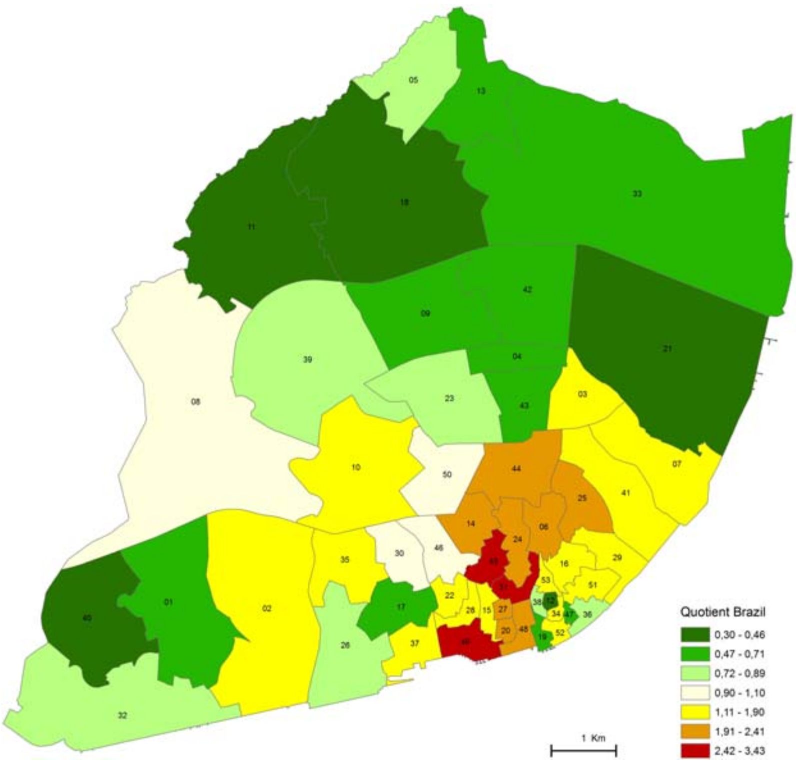


Figure 9. Quotient of location of the foreign population from Brazil by parish, 2011



Spatial distribution of the Chinese nationals

Figure 10. Concentration of foreign population from China by parish, 2011

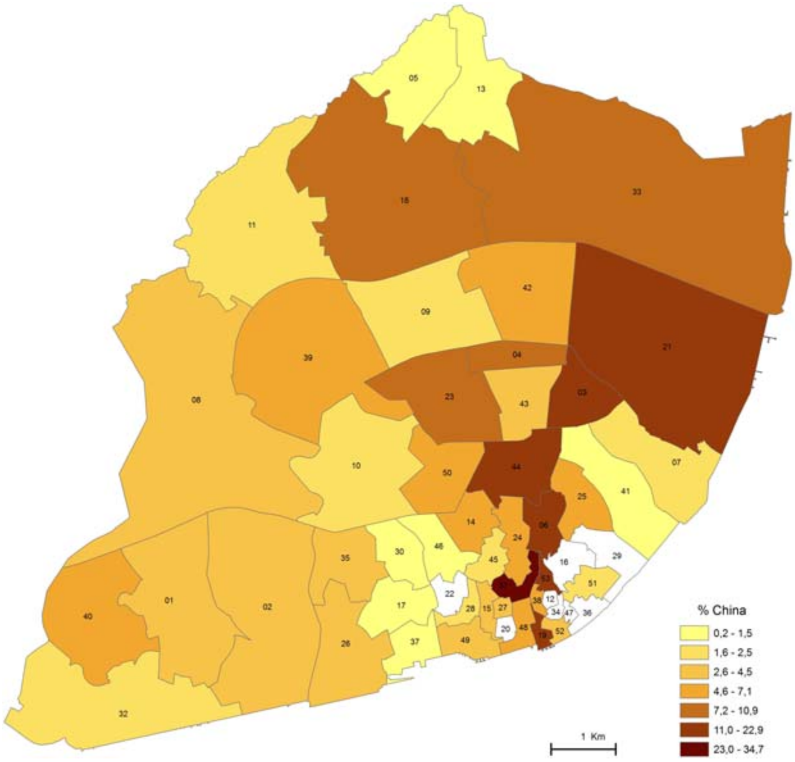
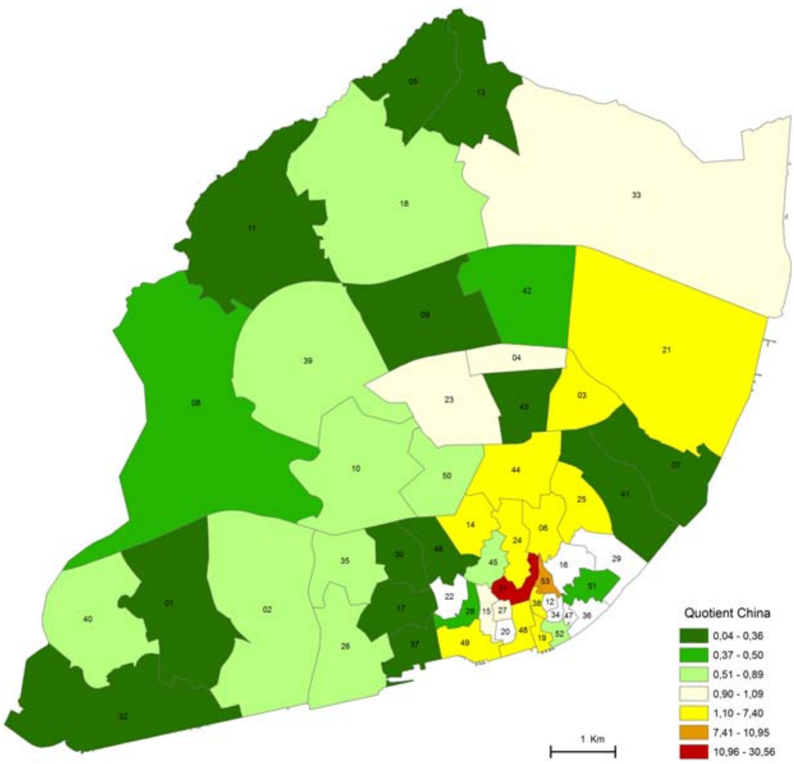


Figure 11. Quotient of location of the foreign population from China by parish, 2011



Spatial distribution of the Indian nationals

Figure 12. Concentration of foreign population from India by parish, 2011

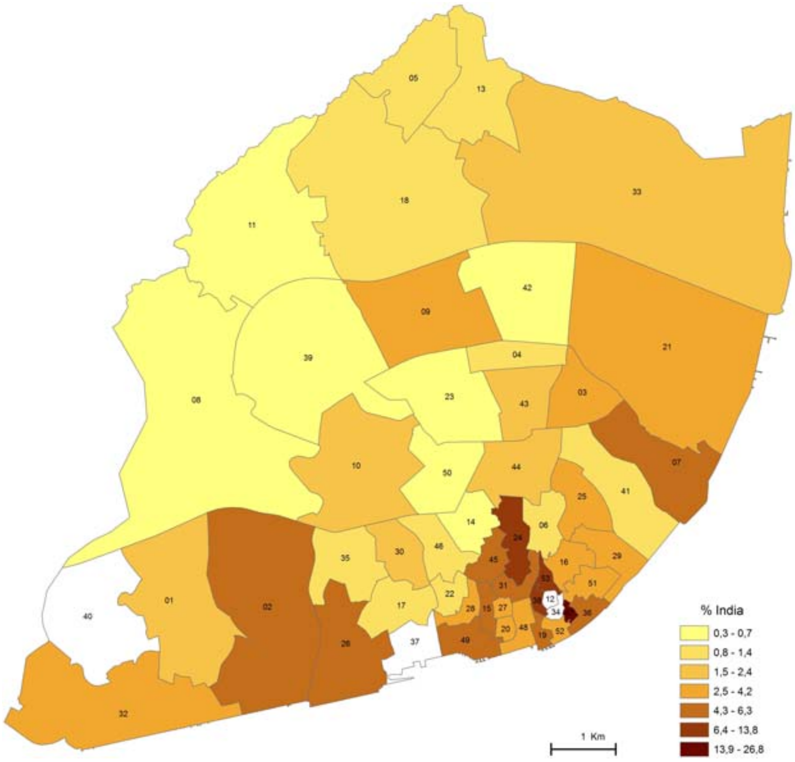
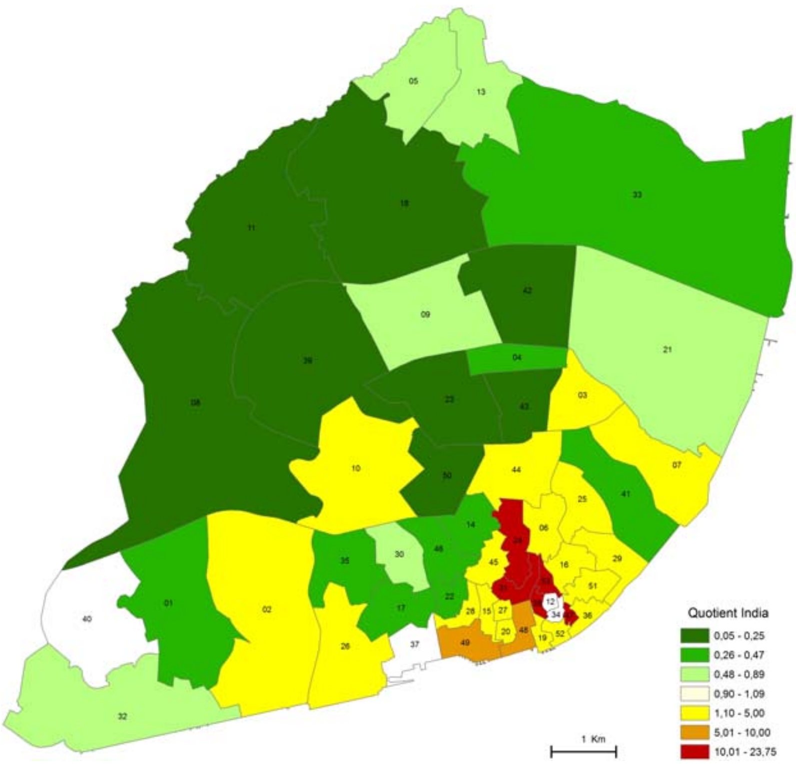


Figure 13. Quotient of location of the foreign population from India by parish, 2011



Spatial distribution of the Nepalese nationals

Figure 14. Concentration of foreign population from Nepal by parish, 2011

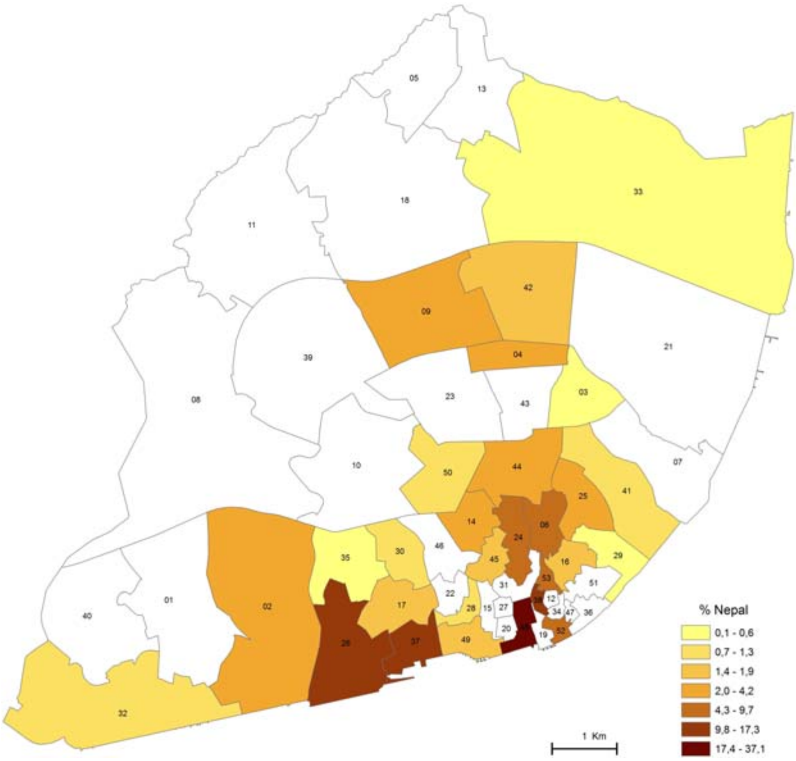
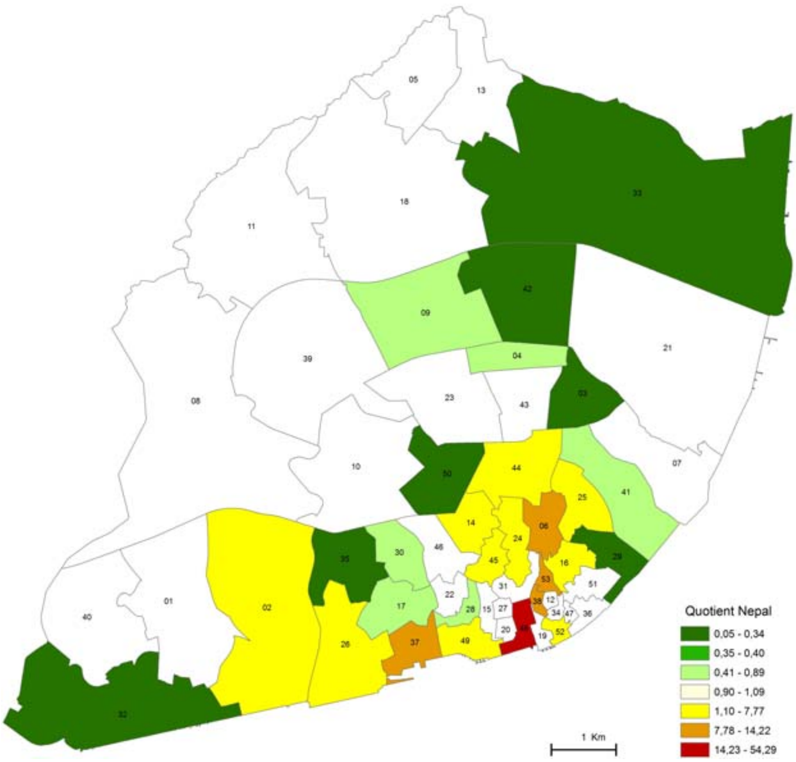


Figure 15. Quotient of location of the foreign population from Nepal by parish, 2011



Spatial distribution of the Bangladeshi nationals

Figure 16. Concentration of foreign population from Bangladesh by parish, 2011

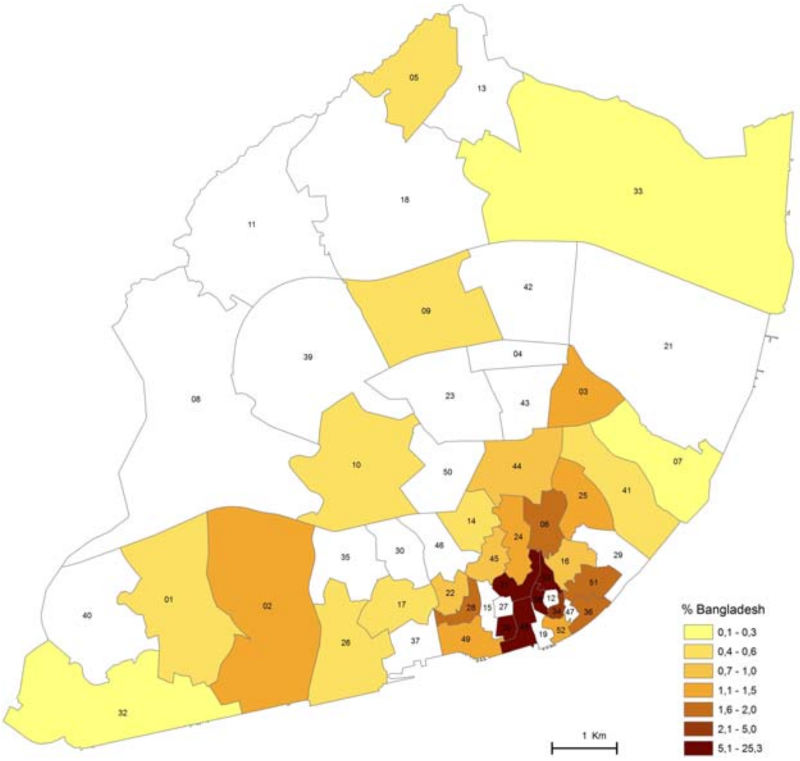
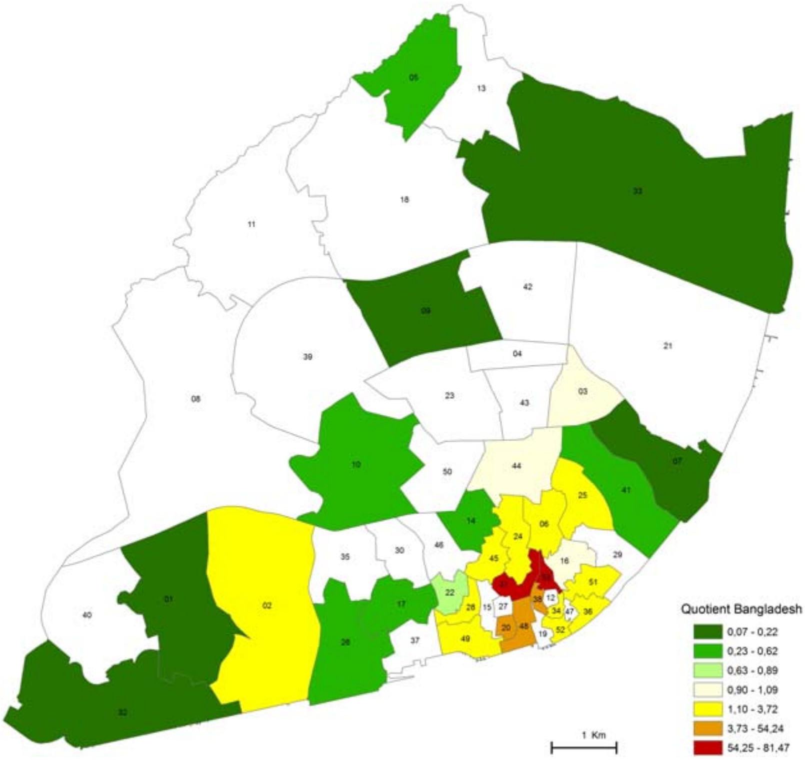


Figure 17. Quotient of location of the foreign population from Bangladesh by parish, 2011



It is worth mentioning that in several destination cities factors such as accessibility to clientele, often with an immigrant background, diffusion of information and the development of support networks based in kinship or ethnicity justify some overlapping between the areas of concentration of foreign population and the spatial business enclaves, especially in the cases of small services and shops (Ma Mung and Simon, 1990; Waldinger, 1989). Having this into consideration, it is relevant to confront the perceptions of the UITs staff concerning the spatial distribution of immigrant businesses in the city of Lisbon with the geographical patterns of the various foreign groups in the city. The cartographic overlapping of some concentrations of immigrant shops in Lisbon with the relative weight of foreigners by nationalities allows us to test the hypothesis that associates certain entrepreneurial concentrations with the residential settlement of some foreign groups.

Actually, in their responses to the question about the existence and location of meaningful concentrations of immigrant shops, UITs have identified parishes and other areas where this presence is more visible, additionally mentioning some particular shops and its location. Although these are elements with an impressionistic nature, they constitute a relevant working base for the next steps of the project and have been synthesised in figure 18. Also concerning the collection of these data, it is relevant to mention the absence of an answer from the UIT "Centro Histórico" (*Historical Centre*), territory where important resident concentrations of foreigners are visible and have been identified in previous researches as well as several shops and small services units owned by immigrants, namely in the areas of Mouraria/Martim Moniz, including Rua da Palma and Rua do Benformoso.

As far as the UITs that answer to the questionnaire are concerned, their basic information corresponds to:

The **UIT Centro** (*Centre*) underlines the presence of immigrant businesses in the parish of Arroios (groceries, convenience stores, restaurants, hairdressers, cell phone shops, etc), with particular concentrations in Av. Almirante Reis and surrounding streets (small groceries, convenience and gadgets repair stores, beauty experts and manicures, fruit shops). Also in the territory of Santo António parish are mentioned several businesses owned by immigrants (restaurants, groceries, hairdressers). As far as the parish Avenidas Novas is concerned, the proliferation of “Chinese” shops is underlined by the respondents.

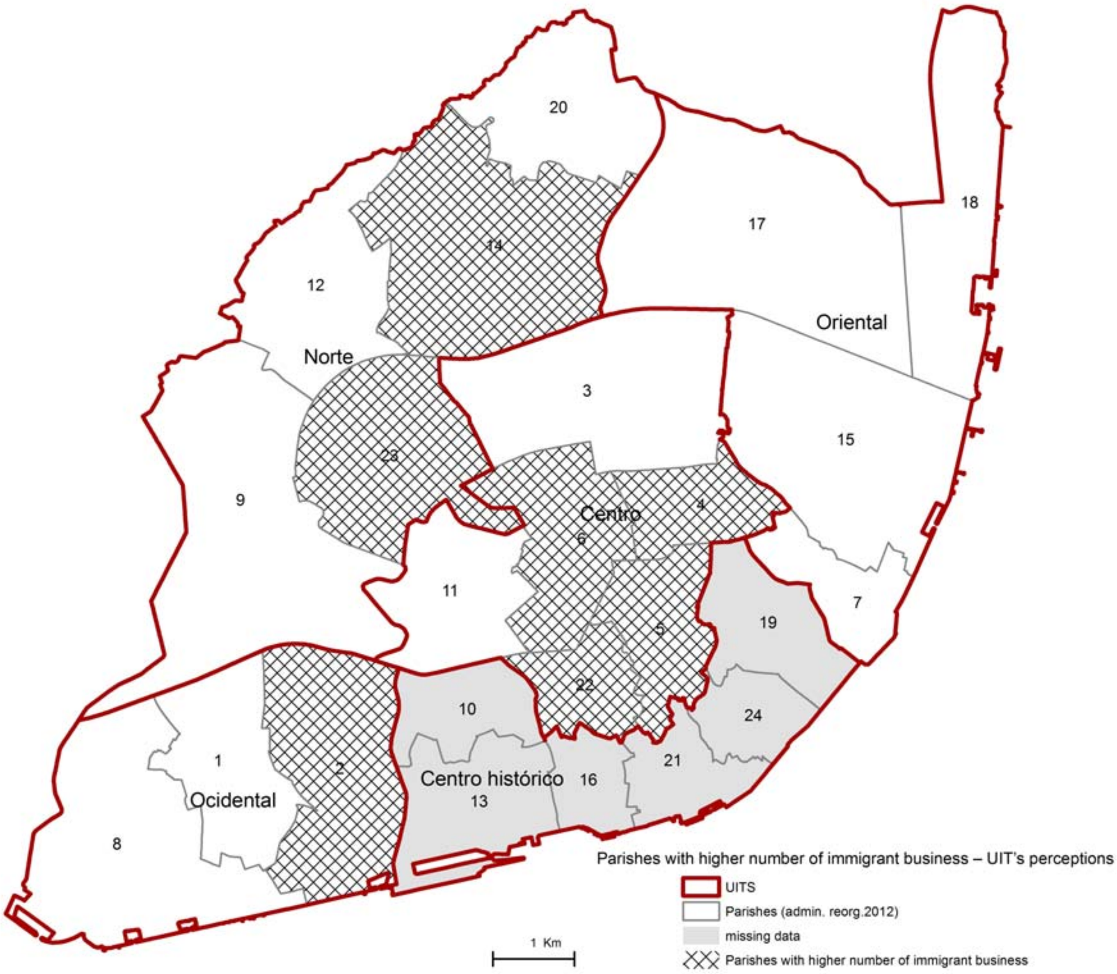
The **UIT Norte** (*North*) staff point to the existence of “Chinese” shops in Lumiar and to immigrant owned restaurants and drinks shops as well as “Indian” and Chinese” small stores in São Domingos de Benfica.

The **UIT Ocidental** (*Western*) mentions some Asian groups (from India, China, Bangladesh and Nepal) associated to small shops. The businesses owned by these communities are mostly located in the major commercial streets of 3 parishes that integrate the UIT, namely in the following squares and streets: Rua de Alcântara, Largo do Calvário and Calçada da Tapada in the parish of Alcântara; Travessa da Boa-Hora and Calçada da Ajuda in the parish of Ajuda; Rua da Junqueira, Rua de Belém and Calçada da Ajuda in the parish of Belém.

The **UIT Oriental** (*Eastern*) does not mention clusters of immigrant businesses but refers some immigrant vendors in the Weekly Fair of Relógio and a few scattered shops in some social housing estates located in the parish of Marvila.

The identification of areas that associate the major clusters of foreign residents to spatial concentrations of immigrant businesses, as described by the staff of the municipal UITs, is relevant for the identification of the future case study areas.

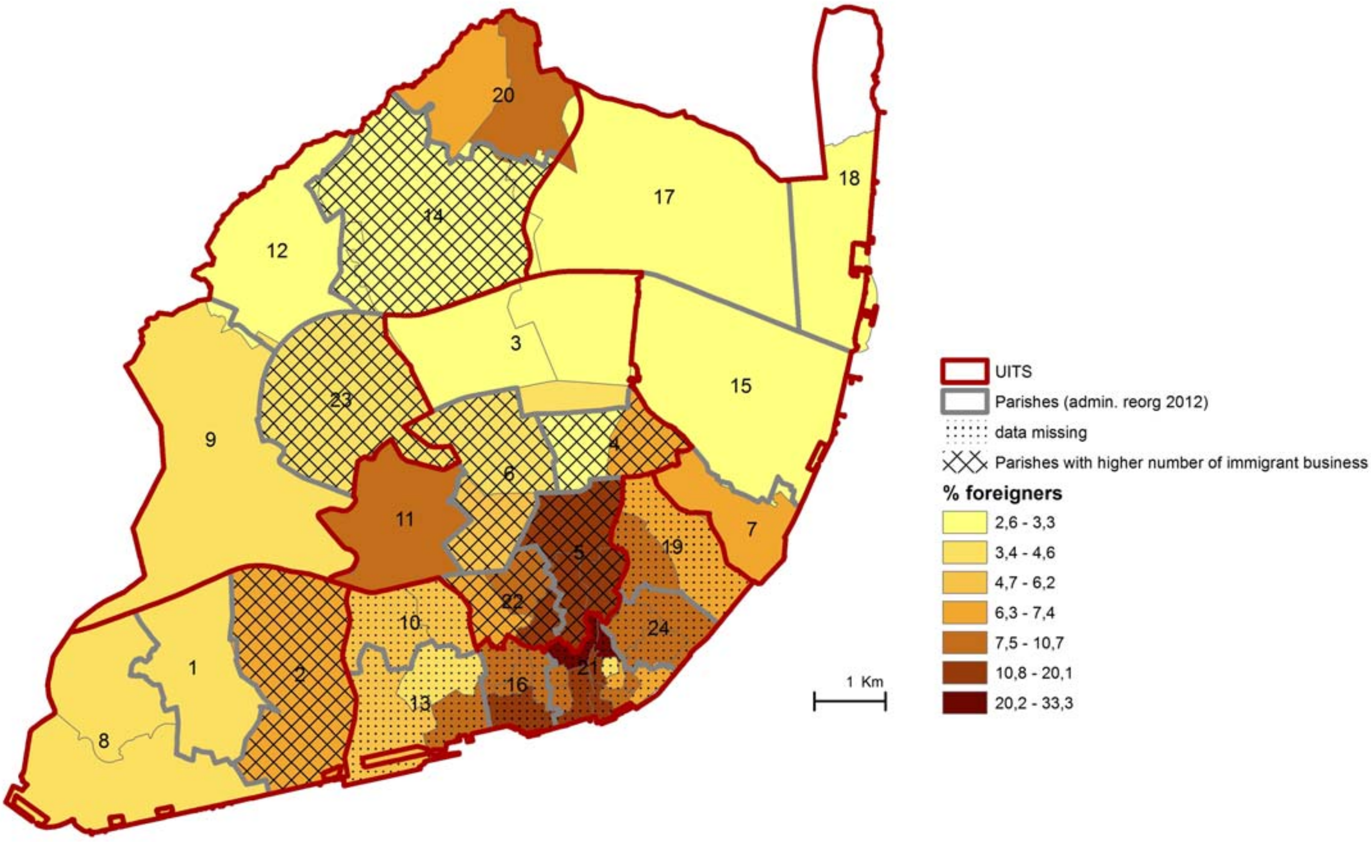
Figure 18. Parishes with higher number of immigrant businesses – UIT's perceptions



Source: CML, UIT

Following this logic (check figure 19), particular attention should be given to the parishes of Arroios and Santa Maria Maior. Within this analysis it is relevant to mention that the residential clusters of immigrants located in the internal periphery of the city of Lisbon do not correspond to equivalent concentrations of immigrant businesses, namely in the parish of Santa Clara where PALOP nationals – groups with a relatively low level of involvement in business - are over-represented.

Figure 19. Parishes with higher number of immigrant business and concentration of foreign population



Source: CML, UIT

Considering the data about the economic activities of the foreign populations settled in Lisbon, their residence patterns in the city and the references of UITs staff to concentrations of immigrant businesses, our preliminary conclusions are:

a) High percentage of small retail, wholesale and services (e.g. restaurants) employers specially among Asian nationals, particularly from China and Bangladesh;

b) Higher concentration of foreign population in inner city, with important variations in the locations of the several national immigrant groups (e.g. Asians more over-represented in inner city; PALOP nationals more present in the periphery; Brazilians more disperse, despite their relevance in the inner city transition area of São José-Arroios-Anjos);

c) Concentration of immigrant owned businesses in the city centre and in inner city, especially to the east side, despite the interesting levels of dispersal of the functional units by several neighbourhoods of Lisbon;

d) The historical centre and the surrounding inner city emerge as spaces of diversity and commercial dynamics that is also related with the initiatives of some immigrant groups.

4. Immigrants enterpreneurs. Lisbon case study

In this chapter we will present the results from 62 questionnaires applied to immigrant entrepreneurs. Many of the questionnaires were completed through the use of English language, though in some cases there was some difficulty in applying those to immigrant entrepreneurs who do not master English. Note that the higher command of English by immigrants is often related to their migratory route. For instance, communication was much easier with immigrants (particularly Bangladeshi and Nepalese) that experienced a previous residence period in the United Kingdom. For this group the possibility of opening a business in Europe is assumed to be more realistic in Portugal, country in which this goal is more easily achieved due to lower restrictions to the opening of business and lower taxes. Actually, there were several immigrants that consider Portugal a European country where migration and business opening are easier processes due to simplified bureaucratic procedures and regularization opportunities. In addition, they sometimes find urban Portugal more interesting to set up a commercial establishment or an office because they perceive larger market opportunities in several activity branches in comparison with more saturated and eventually less profitable markets of Western and Northern Europe.

In addition to the language barrier, some distrust towards the objectives of this study was also expressed by some business owners and managers, notably among the Chinese[11]. In some cases, when the owners were absent from the store, the survey was applied to older employees or managers with knowledge of the business.

During the application of the questionnaires several interactions occurred with immigrant entrepreneurs and workers in shops run by immigrants. These "informal" qualitative elements as well as some *in situ* observations made by the researchers have been registered and, whenever relevant and pertinent, will complement the analysis of the survey results presented in this chapter.

[11] Due to this, the initial target of applying 7 to 9 questionnaires to Chinese businesses was not fulfilled. It was only possible to obtain 3 answers in the short survey period of this project.

Finally, it is worth mentioning that some respondents demonstrate their interest in staying in Portugal but others believe they will soon leave the country, possibly to another EU destination. Because several of the non-EU entrepreneurs that have been interviewed did not arrive directly from their countries of birth having passed previously by other European cities, this picture points to a process of circulation of third country small and medium-sized businesspeople through several EU countries, issue that requires further research.

In the following pages, after the display of some general information about the entrepreneurs and their establishments, a second section will deal with the reasons and challenges for the creation of the enterprise. In the third section we address the expectations and the satisfaction with the business, to finish with some elements about the management of the enterprise.

4.1. General information

There was an over-representation of the questionnaires applied in the traditional historical centre of Lisbon, which coincide with the over-representation that immigrants have in this area. A little less than half of the surveys (27) were performed on food retail stores, a fast growing typology in the city. After a period where food retail was vanishing from town centres, mainly due to the dissemination of large retail stores of this typology through the periphery of major cities in Western Europe, this recent trend is quite significant because it helps to provide proximity retail to new inhabitants (occasional or permanent).

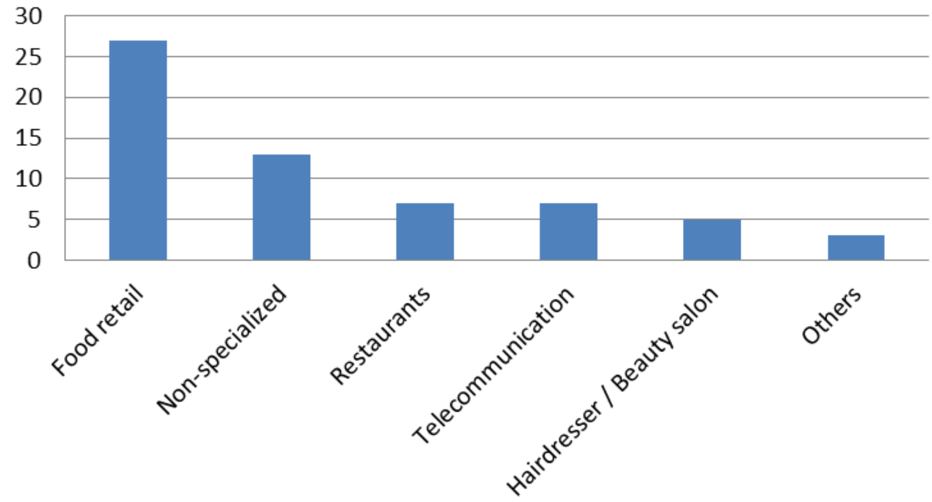
The recent and significant growth in the number of tourists explains why non-specialized stores are gaining importance in the retail structure of Lisbon, namely in its city centre. As in several other highly attractive European cities (e.g. Barcelona, London, Rome), this kind commercial establishments involve an important number of foreign entrepreneurs and unsurprisingly this was the second typology with more questionnaires (10). Less important are the following sectors: restaurants, telecommunication, hairdresser/beauty salon and others. In the case of restaurants the under-representation is mainly due to the difficulty in gaining access and availability of the owner to give us some time to apply the survey.

Being an indicative sample was however possible to recognize various associations between business types and nationalities of those who manage them. Grocery stores, fruit shops, internet cafes and telecommunications store where questionnaires were applied are mostly run by South Asian immigrants, originating in Bangladesh, Pakistan and also Nepal. Beauty salons and sale of beauty products are mostly managed by Brazil and Africa nationals. Asians, in particular Chinese but also South Asians and Nepalese, are over-represented in the ethnic restaurants branch.

In recent years there has been a very significant increase in the opening of small establishments in Lisbon whose main activity is the retail sale of food products including mainly packaged food and garden fruit products and in many cases the sale of tobacco. These shops that combine grocery store, greengrocer and tobacconist constitute a relatively new commercial offer in the city that tends to extend the opening hours in the evening and night time and has diversified the geographical location, that not only involves the central areas and the inner city but also several peripheral and residential neighbourhoods. These grocery stores are popularly referred to as the "Indian" and constitute a form of local shops that work outside the opening hours of traditional grocery stores and Portuguese supermarkets. In some of these establishments there is a greater care in the image of the stores.

These establishments are not ethnic businesses because the products offered are identical to the ones found in Portuguese grocery stores and the target clientele are not co-ethnics or other Non-EU immigrants. Actually, in the set of stores that have been subject to investigation it appears that less than 6% are ethnic trade, being this situation more common in the establishments of immigrants from Africa (selling batiks and fabrics with African patterns, offering specific products used in African cuisine, specific beauty products for African hair).

Figure 20. Number of questionnaires, according to the activities typology



Source: DELI Survey Lisbon.

A significant number of establishments were opened after 2011, highlighting the dynamism of the immigrant entrepreneurship, even during the economic crisis period. Only two stores were opened before 2000, situation that seems to point to eventual high levels of "business mortality". Nevertheless, this hypothesis needs to be checked with further research.

Table 6. Establishment opening year

<2000		2001-2005		2006-2010		>2011		NS/NR	
Nº	%	Nº	%	Nº	%	Nº	%	Nº	%
2	3,2	3	4,8	2	3,2	54	87,1	1	1,6

Source: DELI Survey Lisbon.

There is also a strong prevalence of establishments located on street shops. Of the sixty-two interviewed, 59 open their doors to the street. Only three stores are located in shopping centres. Nevertheless, this refers to small-scale shopping centres located on the main urban grid of Lisbon city centre. Those are the first generation shopping centres, sometimes with the absence of common management and, thus, functioning as commerce condominiums.

Table 7. Location of the store, regarding if they are on the street or integrated in shopping centres

	Type of establishment (location)	
	Nº	%
Street store	59	95,2
Shopping centre	3	4,8

Source: DELI Survey Lisbon.

The large majority of the stores are rented, with only two being owned by the businessperson (Table 8). This option is adjusted to the characteristics of the entrepreneurs, because the choice for rental facilitates geographical mobility trends and allows businesspeople to easily move from one place to another, practice that several experienced in the past. Nevertheless, this situation can also reflect the difficulty in the access to funds.

Table 8. Type of tenure of the physical store

	Establishment tenure	
	Nº	%
Rented	60	96,8
Own store	2	3,2

Source: DELI Survey Lisbon.

In our survey, the number of foreign women entrepreneurs is important, confirming the results of previous researches (Malheiros, Padilla e Rodrigues, 2010), though much smaller than the number of businessman, as one would expect. Nevertheless, nine stores are exclusively owned by women and in eight other cases they share the ownership with a man. Although the presence of women entrepreneurship seems to be felt more intensely in gendered business types such as hairdresser[12], our questionnaires reveal a reasonable diversity with the presence of businesses run by women in almost all categories (Table 9).

[12] About the over-representation of women in hairdressing and more generally in the so-called "beauty filiére, see Malheiros and Padilla, 2015.

Table 9. Gender of the owner, by business typology

	Women	Men	Women / Men	Total
Food retail	2	22	3	27
Non-specialized	2	10	1	13
Restaurants / cafés	2	4	1	7
Telecommunication	1	5	1	7
Hairdresser / Beauty salon	2	2	1	5
Others	0	2	1	3
Total	9	45	8	62

Source: DELI Survey Lisbon.

Despite this identification of several businesswomen, they only represent 15% of the total survey respondents, being this number largely in line with the data provided by the Centre for Business Creation (2007): 31% of entrepreneurs are women and 69% men. However, the Office to Support the Migrant Entrepreneurship (ACM) notes that are more women who use the office: “Here (…) it is the women who come to us. There are more women coming to the service”.

Contrasting with the Portuguese reality, foreign entrepreneurs are relatively young, being the number of people under 39 years old very relevant (almost 2/3 of the interviewed – Table 10). When one considers that one of the problems that in the last decades have been assigned to the retail sector corresponds to the aging of establishments and their owners limiting the capacity of these to modernise and update their commercial strategies, these new immigrant entrepreneurs can be an asset in the renewal of the sector.

Table 10. Age of the main owner

Age of the main owner	Nº	%
20-29	13	21
30-39	28	45,2
40-49	9	14,5
50-59	8	12,9
> 60	1	1,6
Don't know / don't answer	3	4,8

Source: DELI Survey Lisbon.

Regarding the level of education, almost one third has at least a university degree and only ten have less than secondary school, situation that points to formal instruction levels above the average of micro and small Portuguese entrepreneurs of the typologies interviewed. Unfortunately, there are eleven non-valid responses because some questionnaires were applied to managers and to "second" owners that were not aware of the education level of the main owner.

Table 11. Level of education of the entrepreneurs

Level of education of the main owner	Nº	%
University graduation or higher degree	19	30,6
Secondary school (10-12)	22	35,5
Other (less than secondary)	10	16,1
Don't know / don't answer	11	17,7

Source: DELI Survey Lisbon.

In the 62 establishments there are 169 workers, of which 74 are owners or co-owners. More than 75% are men, aspect enhanced by the fact that, even in some of the cases of co-ownership between men and women, these are not the visible face of the establishment, relegating that role to male partner. Of the total of workers (169), only 7 are Portuguese. Although it did not became visible a clear trend to not employ Portuguese, it was possible to realize the preference for employees of the same country of origin. Two reasons seem to stand out: i) the first one is associated to the issue of ethnic social capital that justifies the development of mutual help strategies among co-nationals; ii) the second is related with common language command, being easier for the daily management of the business if all workers (including the owner) speak the same language.

Table 12. Characteristics of the labour force of the establishments

Owners	**Other workers**	*(Of which Women)*	*(Of which Portuguese)*	**Total of workers**
74	95	39	7	169

Source: DELI Survey Lisbon.

An illustrative example of these typologies corresponds to the businesses owned by Bangladeshis that spread out through Lisbon in the past decade: typically, these stores have three workers - the owner and two hired workers, all from Bangladesh and very rarely women. Although in many cases the interviewees do not mention an explicit preference in hiring people of the same nationality, this ends up taking place due to the confidence, inter-knowledge and kin support among people of the same origin. It is worth mentioning that hiring employees is done through dissemination strategies targeting mainly friends and acquaintances, often living in the country of origin or in other third countries. Therefore, contracting a new employee from the same country of origin is often a way to facilitate the process of getting a residence permit. Finally, some situations of family business involving non-paid family workers can be found, namely the case of unemployed women that support their husbands in business.

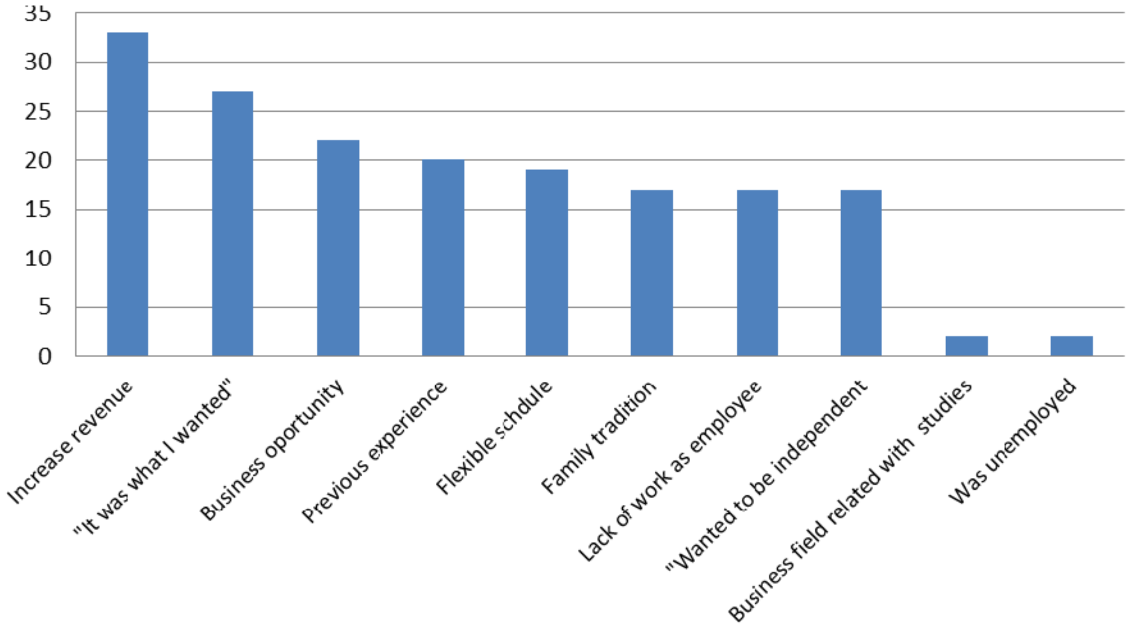
The adaptation of the shops to the specificities of the various neighbourhoods of Lisbon (type of clientele, accessibility, etc.) seems to be relatively limited. Nevertheless, in central and touristic areas immigrant entrepreneurs add some products more sought by tourists to their main stock (e.g souvenirs or bottled water) and sometimes slightly increase the prices in order to benefit from location.

During the field work were also identified some signs of integration of immigrants' stores in residential neighbourhoods. For instance, there were several situations in which neighbourhood residents passed in front of the store and waved and said hello to the merchant. In other cases, residents entered the shops and asked for products they usually purchase or made late payments.

4.2. Reasons and challenges for the creation of the enterprise

The increase of revenue is the main reason stated by the respondents to start their businesses. This reason is strongly connected with others, such as “lack of work as employee” or “will to be independent”. In fact, the negative economic environment that led them to find a job as employee led some immigrants to consider opening their own business. In other cases, after having a previous job, they felt the need to be independent in order to increase their revenue. For the Office to Support the Migrant Entrepreneurship (ACM) the situation has changed in recent years: “Before people were not unemployed. (...) They wanted to put into practice their skills. (...) Recently, people are often unemployed”. Other reasons are also mentioned. It was very relevant the number of respondents that stated that open their own business “was what I wanted”. In this case, we may assume that some immigrants face entrepreneurship as their first choice and not as a safeguard plan. Although focused on the Chinese population, this is what Yijing (2015:71) stated, describing how some Chinese leave their country because they want to be the “boss of their own business”. Finally, another justification to start a business is regularization: some immigrants try to regularize their formal situation Portugal through investment and self-employment. “We are contacted by people who are undocumented. (…) There are a very significant number of people who are simply trying to regularise themselves. Many of these people are unemployed. We are talking about immigrants who are in a situation of unemployment; unemployment is what has led them to think about it” (Office to Support the Migrant Entrepreneurship).

Figure 21. Reasons why the entrepreneurs started their businesses



Source: DELI Survey Lisbon.

Some owners of grocery stores coming from Bangladesh indicate that parents also have businesses in the origin country. Their higher studies have been developed in areas such as management in the United Kingdom. While interviewed, several Bangladeshi employees expressed a desire to open their own business (similar to that in which they presently work) in the future[13]. They often refer to the settlement in Portugal and to their present work as forms of regularization and gaining experience that will anticipate the opening of the business itself. In many cases these immigrants already have established plans for their future business (approximate dates of opening and steps to implement the project).

In other cases, the respondents worked for several years or even decades in the business sector where they now develop their entrepreneurship. In these cases, immigrants tend

[13] This is in line with earlier findings on the Bangladeshis in Lisbon, as stated by Mapril (2010).

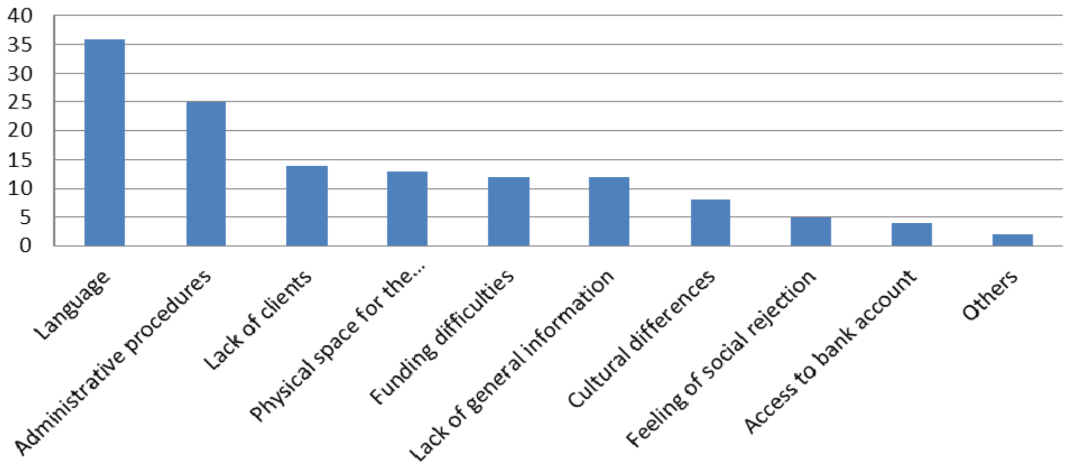
to be very proud of their shops and their socio-professional careers, underlining their competences and efforts to overcome difficulties.

As far as business constraints are concerned, language clearly appears as the main obstacle felt by the entrepreneurs when they have started their businesses. Speaking limited or no Portuguese at all and, sometimes, only connected with people from their home country, it becomes harder to solve every day bureaucratic problems and deal with several public and private institutions that only use Portuguese media. Actually, several interviewed institutions also refer to language as a crucial obstacle. The administrative procedures are all required in Portuguese, alongside with all general information about business, such as the licensing process shortly described in a previous chapter. Even nowadays, although many immigrants do not refer to language as a problem we found that in many cases, particularly Asians, have a Portuguese level that only allows them to have very basic conversations.

In addition to the language issue, it has been stated several times how hard it was to find a physical place to set up the business. As usual, the owners of those places required a legal representative. Because some of the immigrants did not have acquaintances in Portugal, or at least people that were willing to assume that responsibility, this becomes a main issue.

The issue of specific economic risks has also been mentioned by some immigrants, particularly when they were at an early stage of the business development cycle. For instance, some have mentioned the lack of clients as a relevant problem, particularly in the context of crisis (Figure 22). Others expressed a concern with investment in certain quantities of products not knowing if they are able to sell them within the lifetime of those products. This is particularly critical in businesses dealing with fruit and vegetables.

Figure 22. Main difficulties felt in the early stage of the business



Source: DELI Survey Lisbon.

4.3. Expectations, clients and business connections

The majority of the suppliers of the businesses that have been interviewed are unsurprisingly located in the region of Lisbon. The small size of the majority of the establishments as well as the nature of the business itself that often offers perishable or short life products (e.g. food retail shops) explains this finding. Nevertheless, 1/3 of the suppliers are foreigners, of which half are suppliers from the country of origin of the entrepreneur. Only 12,9% of the establishments are supplied by enterprises set up in Portugal, but located outside the Lisbon Metropolitan Area (Table 13).

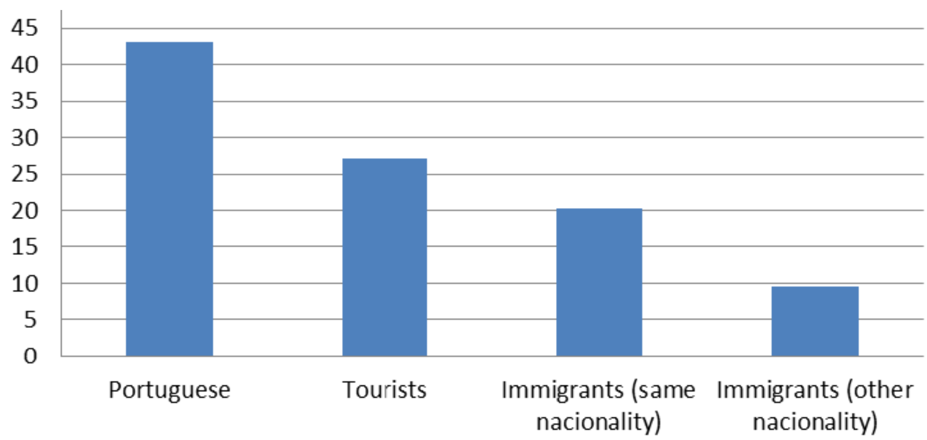
Table 13. Origin of the main suppliers

Origin of the main suppliers	Average
Suppliers from Lisbon (LMA)	54,2
Foreign suppliers	16,6
Suppliers from the country of origin	16,4
Suppliers from the rest of Portugal	12,9
Note: 10 entrepreneurs did not answer.	

Source: DELI Survey Lisbon.

As we have mentioned in an earlier section of this report, some types of retail stores (e.g. souvenir shops, small grocers) are following a general trend of return to the city centre. Small foreign entrepreneurs involved in these business areas are not an exception, and the new immigrant retail stores try to adjust to this trend and benefit from it. Without a clear focus on “who’s the target”, all of these businesses increase their potential of success when the number of prospective costumers increases. Therefore, due to the large growth of tourism in Lisbon, tourists have become a fundamental clientele and represent more than 25% of all customers. However, Portuguese are the biggest group of customers, issue that demonstrates the non-ethnic nature of most stores that sell common products (not African, Asian or Brazilian specific) mostly to the destination country population. Actually, if the majority of the surveys were applied in the inner city where the customers’ diversity is higher (tourists, immigrants, visitors, Portuguese workers and residents), some questionnaires were performed in non-central residential areas of the city of Lisbon, where immigrant stores clearly target the dominant Portuguese residents.

Figure 23. Nationality of the clients, in percentage



Source: DELI Survey Lisbon.

Considering perspectives for the future, half of the entrepreneurs intend to continue the business as it is in the present. However, 25 respondents assumed their desire to expand the business. Only in four cases, the owners expressed the intention to leave the business. Considering that it is normal the closure and opening of business, these numbers are really significant and highlight the dynamism of immigrant entrepreneurs, contributing to change and diversify the commercial fabric of Lisbon.

Table 14. Priority for the future of the business

	Nº	%
Continue as it is	31	50
Expand business	25	40,3
Abandon the business	4	6,5
Don't know/Don't answer	2	3,2

Source: DELI Survey Lisbon.

4.4. Business management

The capital owned by the entrepreneurs is the main source of funding in the beginning of the business and also at present. In second place we find the loans from non-Portuguese, issued that points to the relevance of the family and co-ethnics networks as sources of economic capital. Banks are only third in the list of capital sources, situation that can partially be explained by the difficulties experienced by immigrants in acceding loans provided by formal financial entities. In the interviews, this has been stated as an obstacle to entrepreneurship. All the others sources mentioned in table 15 are rather residual.

Table 15. Sources of funding

	Nº of answers		%	
	At the beginning	In the present	At the beginning	In the present
Own capitals	46	35	74,2	56,5
Private Loans (non-Portuguese)	19	8	30,6	12,9
Banks loans	8	4	12,9	6,5
Private Loans (Portuguese)	1	0	1,6	0
Other	1	0	1,6	0
Did not need	1	1	1,6	1,6
NGO	0	0	0	0
Grants	0	0	0	0

Source: DELI Survey Lisbon.

Regarding some of the business management features there are some characteristics that must be enhanced (Table 16). Almost 30% of the establishments have difficulty in differentiating between family and business expenses, situation that point to a relatively high level of informality. In addition, almost ¼ of the stores are not profitable, issue that raises questions of economic survival which may justify the short life of several stores[14] and the option for "business circulation" (opening of a shop for a relatively short period, closing down and reopen in a different location).

Concerning bureaucratic, marketing and communication practices, all establishments give receipts as a normal procedure but and 27 entrepreneurs use e-mail for the management of the store. On the other side, E-commerce is practiced in one establishment only and the resource to temporary employment agencies was only mobilised by three entrepreneurs. Usually the interviewed businesspeople turn to their communities to look for someone available for the job.

Table 16. Business management features

	Nº of answers		%	
	Yes	No	Yes	No
Use of Receipts / invoices	55	7	88,7	11,3
Profitable business	48	14	77,4	22,6
Distinction between family and business expenses	44	18	71	29
Use of E-mail	27	35	43,5	56,5
Register of Customer complaints	7	55	11,3	88,7
Use of marketing companies	7	55	11,3	88,7
Use of temporary employment agencies	3	59	4,8	95,2
Practice of E-commerce	1	61	1,6	98,4

Source: DELI Survey Lisbon.

Nowadays, the major difficulty that entrepreneurs' state is the lack of clients. The number of answers stating this aspect is significantly higher than the number of entrepreneurs

[14] It is important to remember that 87.1% of the interviewed stores have been established after 2011 (see table 6).

that admitted they intend to leave the business. However, despite this constraint, they intend to maintain their businesses open. Despite having fully operational establishments in the moment of the questionnaire, entrepreneurs still face struggles with bureaucracy and legal aspects usually associated not only with the process in itself but also with the fact that all official documents are written in Portuguese. Again, the access to banks and to the funding solutions these offer are considered as constraints. Other aspects were also mentioned, such as cultural differences. In this case, in 6 cases some discriminatory feelings were stated.

In addition to the difficulties described in the questionnaire, it was referred the emergence of new similar establishments as a fast growing competition problem. In very few situations it was made reference to the increase in revenues and to the need for help, both in terms of equipment and professional training.

Table 17. Main difficulties at present

	Nº of answers		%	
	Yes	No	Yes	No
Clients	26	36	41,9	58,1
Bureaucracy / legal aspects	16	46	25,8	74,2
Administrative	15	47	24,2	75,8
Financial / funding	15	47	24,2	75,8
Cultural differences	6	56	9,7	90,3
Supply	5	57	8,1	91,9
Professional training	4	58	6,5	93,5
Equipment	3	59	4,8	95,2
Workers	1	61	1,6	98,4
Logistics problems	0	62	0	100

Source: DELI Survey Lisbon.

5. Ethnic trade: the case of ethnic restaurants

The visibility of the ethnic trade in the cities is often a sign of immigrant entrepreneurship. The shops are identity markers of some ethnic groups and are shown as images of multiculturalism and interculturalism of some neighbourhoods. The presence of immigrants in a particular place is often accompanied by restaurants that reflect specific ethnic gastronomies. Usually the design of such spaces is in the hands of members of immigrant communities, their descendants or individuals who identify themselves with certain foreign ethnic group. It is also common that the employees of these businesses are immigrants.

Restaurants in some cases are mostly used by members of the same community but it is more common a diverse public, that also comprehends residents and users of the city. In several cases there is an adjustment to the standards and tastes of the Portuguese clientele, with interviewees remarking that some of the gastronomic specialities are changed (for instance, through the reduction of spices), in order to adapt to Western and Portuguese palates.

In this section we present an analytical reading of the evolution of the sector of ethnic restaurants and its spatial distribution in the city of Lisbon. For this, ethnic restaurants have been accounted and mapped only in an exploratory way due to constraints related to the limited resources and short time of the study. In addition, the dynamism of the sector (systematic close and opening of establishments) hinders updated information about this reality. It is worth mentioning that there were no pretensions of mapping all the ethnic restaurants in the city, being excluded from the beginning the establishments serving European cuisine. The systematic collection of information (restaurant type and address) was performed by looking at three sources: online yellow pages[15], online restaurant guide[16] and the "Lisbon Intercultural Guide"[17].

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[15] http://www.pai.pt/

[16] https://www.zomato.com/pt

[17] In Portuguese, *Guia da Lisboa Intercultural* (National Culture Centre, 2008). We consider the establishments presented in the guide that remain open in 2016. The update was conducted through telephone contact and/or research on the internet.

Even for non-EU restaurants in Lisbon, the information gathered does not cover the entire universe. Some are not presented in the consulted sources or are not classified as ethnic restaurants. Nevertheless, the confrontation of information available in various sources allows some “gap filling” in the database and provides a relatively good insight in the evolution of the restaurants between 2008 (Centro Nacional de Cultura, 2008) and 2016.

During the field work we became aware of some recent phenomena associated to this activity sector, which deserve a deeper analysis in the future: chain restaurants, presence of restaurants in shopping centres, kiosks with ethnic food (permanent or temporary[18]).

The data collection and subsequent mapping of restaurants produces an image of a city marked by cultural and ethnic diversity and with potential to promote coexistence and multicultural exchanges. Ethnic restaurants promote immigrant presence through the presentation of new cultural practices and products. If this is one of several sectors where ethnic goods and services are available to the city users, it should not be discarded its value as a provider of jobs for immigrants. The non-negligible number and diversity of ethnic restaurants, as well as the dynamism of the sector confirms an existence of specialized services for various ethnic and religious groups in Lisbon. Also refers to an increasing possibility of intercultural contact as well as the importance of immigrant capital in generating jobs.

EVOLUTION OF ETHNIC RESTAURANTS

In 2016, 74% of the 91 non-European ethnic businesses present in the 2008 "Lisbon Intercultural Guide" (Centro Nacional de Cultura, 2008) were still in activity (Table 18). We consider an ethnic business maintenance situation and not “restaurant maintenance” because in many cases occur changes in the name or even in the type of restaurant (despite maintaining the ethnic character). The business maintenance is above average when we consider the Indian, Goan and Nepalese establishments (about 91%). It is lower among African restaurants (40%) and Japanese (62.5%). Latin American, Thai and Chinese establishments of the sector are apparently positioned in-between those that are more

[18] Particularly in the context of street food festivals.

resilient (South Asian) and those which seem less resistant to economic hardship (African and Japanese).

The alterations observed while comparing the data from the guide with the present situation are mainly due to changes in the name of the establishment or in the address and not so much to closure of the restaurant. This evolution should be seen as a result of both the immigration dynamics of the city (that changes the origins of the ethnic entrepreneurs) and the changes in the relationship between offer and demand in the catering sector, that are affected by factors such as fashion for certain types of food in certain periods that once passed may lead to market saturation. Nevertheless we should not disregard the existence of difficulties in business livelihood, particularly in a period of economic contraction such as the one experienced by Portugal for most of the past 10 years.

Table 18. Maintenance of business (non-European ethnic restaurants): 2008 - 2016

Restaurant type in 2008	Number in 2008 (CNC, 2008)	Maintenance of business in 2016 (%)
African	5	40,0
Chinese	35	71,4
Indian, goan and Nepalese	22	90,9
Japonese	8	62,5
Latin American	16	68,8
Russian	1	100,0
Thai	4	75,0
Total	**91**	**72,5**

Source: Centro Nacional de Cultura (2008); https://www.zomato.com/pt; http://www.pai.pt/

NON-EUROPEAN ETHNIC RESTAURANTS – 2016

In the review of the data it was decided to group different types of restaurants. Many are not characterized by a particular country's food but rather as dual culture spaces (e.g. Nepalese-Indian restaurants) or even multiple (e.g. Asian restaurants, African restaurants). The association of a nationality to an ethnic business is complex. A situation that demonstrates this is the recent emergence of Japanese restaurants in Lisbon that are mainly managed by Chinese. By cultural and culinary proximity are considered the following clusters of restaurants:

Group 1: Chinese / Japanese / Thai;

Group 2: Nepalese / Indian / Goan;

Group 3: Latin American - concerning Argentine, Brazilian and Mexican restaurants; Group 4: African - concerning Cape Verdeans restaurants, Egyptians and Moroccans Group 5: Russian restaurants.

Of the total of registered ethnic restaurants (Table 19) there is a prevalence of establishments with gastronomy of Asia: approximately 83% are Asian restaurants, of which 47% are Chinese, Japanese and Thai and 35.6% are Nepalese, Indian and Goan.

Table 19. Non-european ethnic restaurants - 2016

	Number	%
Group 1: Chinese/japonese/thai	62	46,97
Group 2: Nepalese/Indian/Goan	47	35,61
Group 3: Latin American	17	12,88
Group 4: African	5	3,79
Group 5: Russian	1	0,76
Total	**132**	**100,00**

Source: http://www.pai.pt/; https://www.zomato.com/pt; Centro Nacional de Cultura (2008).

When we seek to understand the evolution in the number of ethnic restaurants between 2008 and 2013 we verify a significant global increase that reaches 45% (Table 20). The growth is more substantial in group 2, which more than duplicates the original value. It is also worth to note the situation of group 1 that concentrates the large number of restaurants and experienced the second highest increase in the period of analysis, after the case of group 2. In this case it is important to take into consideration that this increment is due to the substantial growth of Japanese restaurants that more than compensates some reduction in the establishments specialised in Chinese food. In 2008 were recorded 8 Japanese and in 2016 are identified 26 Japanese. With regard to

Chinese restaurants the number keeps relatively unchanged: in 2008 are recorded 35 establishments and in 2016 these slightly reduce to 33.

Table 20. Evolution of Non-european ethnic restaurants: 2008 - 2016

	Number in 2008	Number in 2016	Taxa de variação %
Group 1: Chinese/japonese/thai	47	62	31,91
Group 2: Nepalese/Indian/Goan	22	47	113,64
Group 3: Latin American	16	17	6,25
Group 4: African	5	5	0,00
Group 5: Russian	1	1	0,00
Total	**91**	**132**	45,05

Source: http://www.pai.pt/; https://www.zomato.com/pt; Centro Nacional de Cultura (2008).

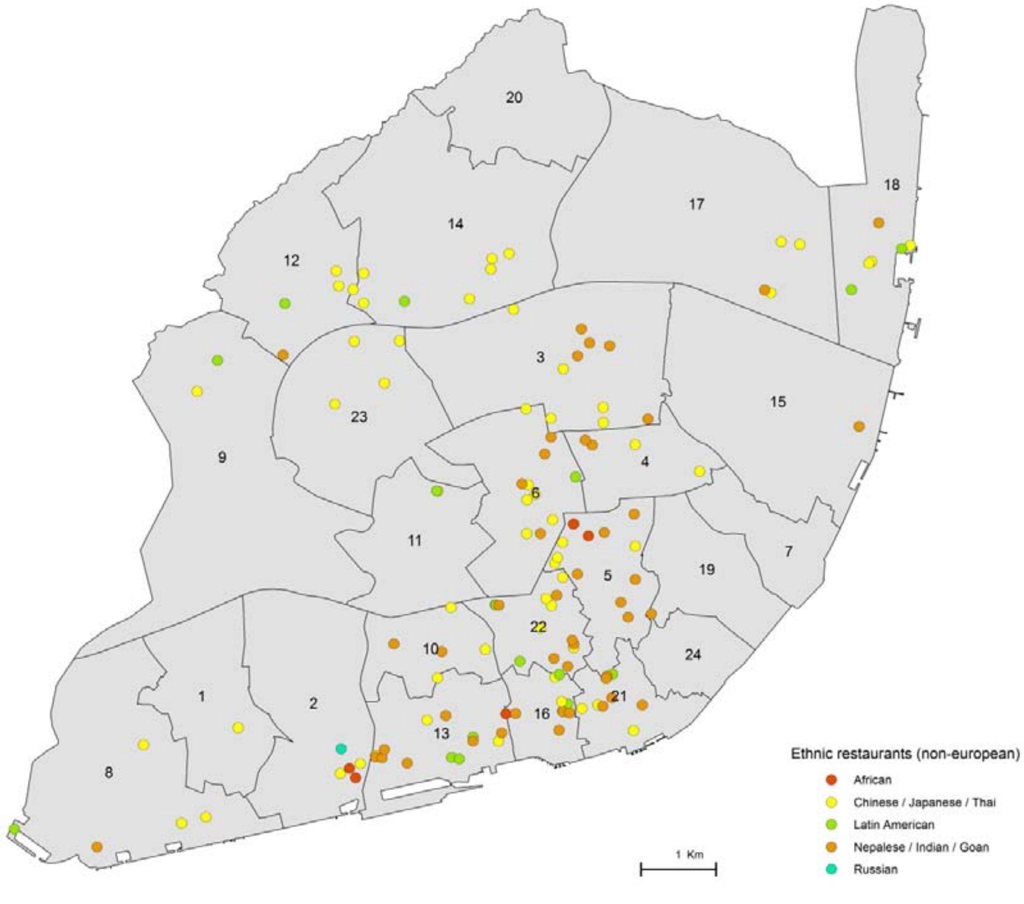
Concerning the spatial distribution of the restaurants there is a higher concentration in inner city, in the axis running along the river to the west side and also in the axis Baixa-Avenidas Novas (Figure 24). We found the highest concentrations of restaurants per km2 in the parishes of Santo António-22 (10 restaurants/km^2), Misericórdia-16 (7 restaurants/ km^2, Estrela-13 and Santa Maria Maior-21 (both with 5 restaurants/ km^2), all of them located in central areas of Lisbon or in their vicinity.

The significant presence of restaurants in central areas, particularly in the parishes of Santo António (22) and Arroios (5) both with 15 restaurants, Estrela (13) with 14 establishments is complemented with a relevant presence of restaurants in other parishes. It is the case of Avenidas Novas (6) with 9 restaurants and Alvalade (3) with 10. When we confront the type of restaurant with the spatial location we identify a greater dispersion of the restaurants of the group 1 (includes Chinese and japonese) and 3 (Latin American).

In part, the presence of restaurants follows the concentration of foreign population in the city. The higher concentrations in the parishes of Santa Maria Maior, Misericórdia and Arroios somehow follow the over-representation of immigrants in these areas. Nevertheless, the trend towards the geographical dispersal of restaurants involving an increasing presence in some non-central residential concentrations continues what was already taking place in the previous decade. In fact, in the early 21st century some exotic dining experiences become more trivial. It is the case of Chinese restaurants that started to expand to new locations, namely residential areas, in addition to a more traditional presence in central neighbourhoods. More recently there is a popularization of Japanese restaurants, mostly run by Chinese and with a focus in buffet menus. The Nepalese and Indian also became more popular, although not so dispersed in the city.

Despite the large number of Brazilian and Africans in Portugal and Lisbon, the Latin American and African culinary offerings are relatively scarce when compared to the number of Asian establishments. The difference is significant, especially when we confront the number of restaurants with the number of immigrants of these communities.

Figure 24. Spatial distribution of non-European ethnic restaurants – 2016



Source: http://www.pai.pt/; https://www.zomato.com/pt; Centro Nacional de Cultura (2008).

This may be explained by the different positions of entrepreneurship strategies among the various immigrant groups. Within this framework, we may identify several factors, such as the role and nature of the family (e.g. experience in business, inheritance) and also of the immigrant group itself (e.g. community financial resources, resort to workers of the same origin "oriented" towards the same type of business). Moreover and in conformity with Oliveira (2008), it is important to associate the propensity displayed by immigrants to entrepreneurship with the opportunities available in the host country. In addition, the relative success of ethnic restaurants may have motivated the investment by new entrepreneurs.

Despite the gaps and possible outdated data we can conclude that the development and spatial location of ethnic restaurants indicates a growing cosmopolitanism in Lisbon. The increase in the number of restaurants, their diversity and dispersal in the city occurred in a context of economic crisis and decrease of migration flows. This situation highlights the dynamics of immigrant entrepreneurs as well as the consolidation of wide offer of new services in a cosmopolitan atmosphere. Furthermore, this type of urban services enables the occurrence of new experiences that contribute to spread knowledge about new cultures, creating conditions for intercultural exchanges.

6. Final remarks

As a general final conclusion for this report, one may enhance the identic formal conditions for the practice of entrepreneurship for Portuguese, EU citizens and legal non-EU foreigners. We have not identified any legal requirement or condition restraining the possibility of a foreigner to open a business in Portugal. Nevertheless there are some major constraints. The first and most relevant is the command of Portuguese language. All legal documents related to business start and management are exclusively written in Portuguese. This problem goes together with the issue of bureaucracy. Although simplified in the last years, the process of opening a business is not simple. If this may be a challenge for a Portuguese, it is even more difficult for someone who does not speak Portuguese and has more limited information about the country and its administrative services and practices.

Immigrant entrepreneurship in Lisbon has been quite robust and stronger than in the rest of the country. Becoming an entrepreneur is: (i) a strategy to face unemployment or a choice to increase revenue and (ii) part of a planned path, sometimes the main reason why they have emigrated from their native country. While comparing the global structure of immigrants in Portugal with the composition of those who create businesses, it seems that some communities are more willing to be entrepreneurs than others, such as Chinese, Nepalese and South Asians in general. This depends on numerous factors such as previous business experience, capital availability or family background as well as the stage of the foreigner in the migration cycle.

The contribution of immigrants to the dynamics of urban economy is meaningful, not only in the city centre and in inner city but also in several residential areas scattered throughout Lisbon. The opening of a diverse set of business creates new jobs, promotes interculturality as well as the Lisbon cosmopolitanism. It also helps the innovation process in retail, through the implementation of new strategies (e.g. extended business hours) and the supply of new products and services. Food retail is probably the most relevant example. In the last two decades, with the changes in both cities and retail activities, this sector moved out of the city centre to peripheral areas. Nowadays, with the recent rediscovery of the city centre, immigrants and their food retail stores are supplying that area with this typology, which represents clear benefits for consumers, ranging from local residents to tourists. Even with some difficulties to speak Portuguese, the range of clients clearly exceeds the members of the co-ethnic group. Thus, there is no ethnic enclave strategy. Instead, the shops serve all kinds of consumers, with an over-representation of Portuguese. In this case, although with exceptions, this kind of retail store is usually associated with Bangladeshis.

An unexpected problem that the surveys helped to identify was the difficulty in renting a place for the business. Not exclusively for foreigners, the need of a representative is a particular concern for these entrepreneurs. Sometimes the lack of friends or relatives that can assume that role makes it even more difficult. Other times, the interviewed have mentioned some discrimination, stating that some landlords refuse to rent their spaces to immigrants.

Some legal issues may have been interfering with the ability of more immigrants to become entrepreneurs. Regarding this aspect, one may enhance the issue of residence permits. Without them, it is not possible to legally open a new business, even if the immigrants have already submitted the application and are just waiting for its acceptance.

One of the things that, in the beginning of this report, we have considered and thought about was the reason for the immigrants of the same community to open similar establishments, even when they are located close to each other. Through the answers provided in the questionnaires and interviews we realized this happens because, above all, there are significant advantages of replicating establishments that are perceived as successful by their fellows. Some specific establishments and entrepreneurs that are successful are assumed as role models and lead others from the community to follow their path and open similar stores. Besides, the distribution network established for the first store can also be used by the businesspeople that follow. Nonetheless, this can also lead to the drop of the net profit of each establishment that eventually may reach a situation of non-profitability.

Limitations and unexplored questions

At the end of this report we should also enhance some of its limitations and unexplored questions. The first one concerns the lack of data about entrepreneurship and retail in Portugal and its metropolises, situation that is aggravated in the case of immigrants due to the absence of information on "nationality" or "place of birth" of the entrepreneurs. Added to this are the constraints experienced by several immigrants while answering questions about themselves and their business, highlighted by the difficulty in communication, because several entrepreneurs are not fluent in English or Portuguese. In addition, some communities, such as Chinese, are more closed and apparently more suspicious and were less willing to collaborate with this research. One should also enhance the limited time available to develop this study, which affected and limited the methodological procedures, namely the definition of a larger sample of entrepreneurs and also the application of the questionnaires. Related to this is the target of the surveys. Focused on micro and small entrepreneurs, we left out of this research the medium and large immigrant entrepreneurs. Based on experiences from other projects, we realized that it would not be possible to inquire them on due time.

Recommendations

Several recommendations may arise from this report. The first corresponds to the need for a systemic gathering and treatment of data related with economic activities in Lisbon. To support the analysis of immigrants entrepreneurs, that data should include information about the "geographical origin of the owners". In addition, a monitoring system of the Lisbon economic activities that could use the aforementioned databases should be set into place with purpose of providing background information to support better informed public policies and eventually the activity of the entrepreneurs themselves.

In order to overcome the language barriers, the legal documents regarding the opening and management of businesses should be bilingual (Portuguese and English). Although this will still not reach every immigrant, we believe it will be beneficial to a significant number of immigrants.

It should be discussed how it could be possible to introduce some limited positive discriminatory measures (considering that immigrants are a vulnerable group) in the processes of public contracting of services, mainly the ones performed by the City Council. Note that these measures are circumstantial and transitory and should be removed when the specific disadvantages of immigrants vanish.

Because we believe that the ethnic dimension can add value to Lisbon, it should be used in the promotion of city, in particular regarding the economic valorisation of diversity (for instance using it on the Lisbon Shopping Destination platform or as the basis for the creation of historical ethnic routes in the city). Finally, it would be useful to update the Lisbon Intercultural Guide and to think in a kind of Lisbon ethnic food festival.

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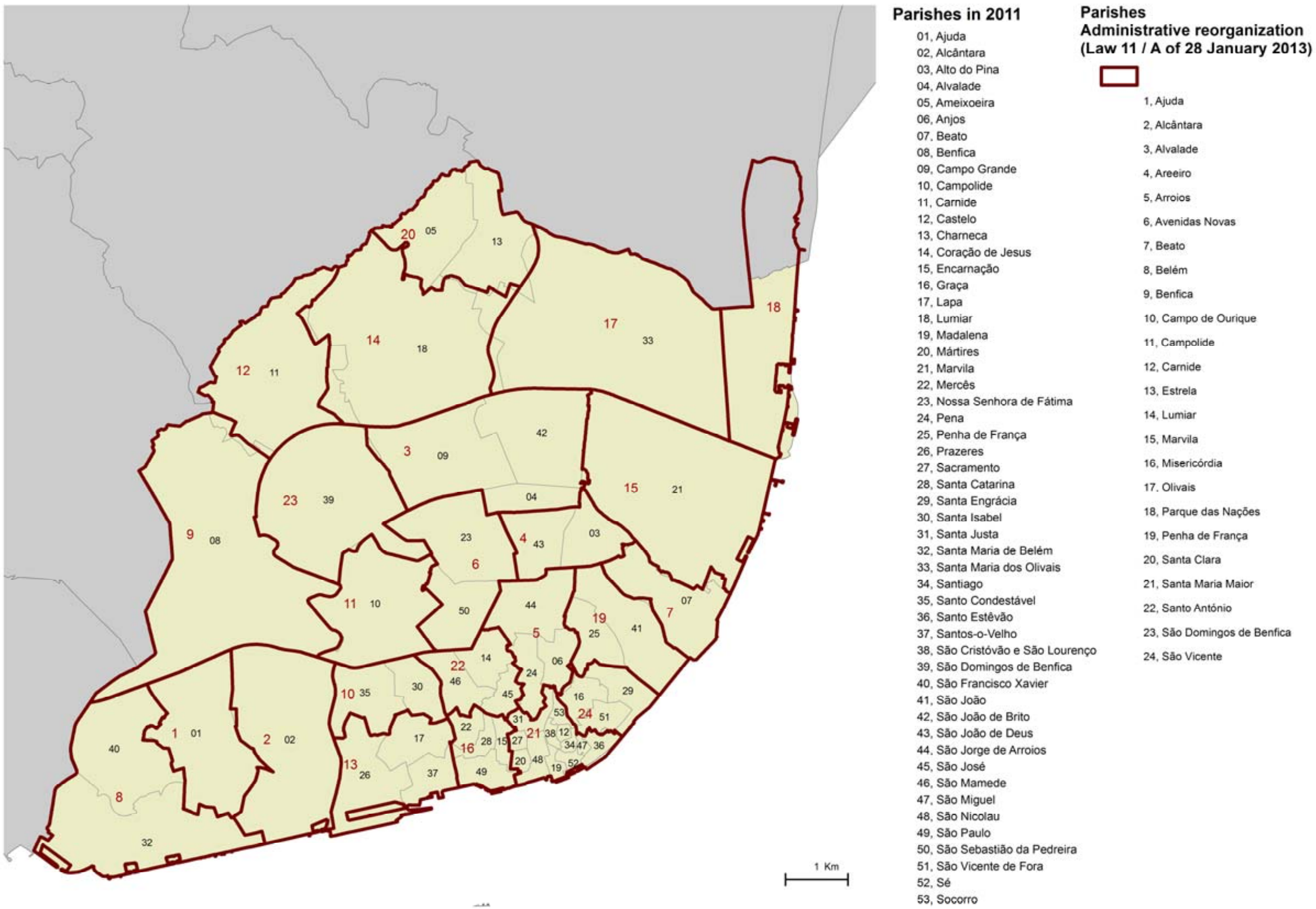
Annexes

Annex 1 – Map of the old and new Parishes of Lisbon (Reform of 2013);

Annex 2 – Questionnaire to immigrant entrepreneurs (preliminary sample)

Annex 1


1 Km
Parishes in 2011
01, Ajuda
02, Alcântara
03, Alto do Pina
04, Alvalade
05, Ameixoeira
06, Anjos
07, Beato
08, Benfica
09, Campo Grande
10, Campolide
11, Carnide
12, Castelo
13, Charneca
14, Coração de Jesus
15, Encarnação
16, Graça
17, Lapa
18, Lumiar
19, Madalena
20, Mártires
21, Marvila
22, Mercês
23, Nossa Senhora de Fátima
24, Pena
25, Penha de França
26, Prazeres
27, Sacramento
28, Santa Catarina
29, Santa Engrácia
30, Santa Isabel
31, Santa Justa
32, Santa Maria de Belém
33, Santa Maria dos Olivais
34, Santiago
35, Santo Condestável
36, Santo Estêvão
37, Santos-o-Velho
38, São Cristóvão e São Lourenço
39, São Domingos de Benfica
40, São Francisco Xavier
41, São João
42, São João de Brito
43, São João de Deus
44, São Jorge de Arroios
45, São José
46, São Mamede
47, São Miguel
48, São Nicolau
49, São Paulo
50, São Sebastião da Pedreira
51, São Vicente de Fora
52, Sé
53, Socorro
Parishes
Administrative reorganization
(Law 11 / A of 28 January 2013)
1, Ajuda
2, Alcântara
3, Alvalade
4, Areeiro
5, Arroios
6, Avenidas Novas
7, Beato
8, Belém
9, Benfica
10, Campo de Ourique
11, Campolide
12, Carnide
13, Estrela
14, Lumiar
15, Marvila
16, Misericórdia
17, Olivais
18, Parque das Nações
19, Penha de França
20, Santa Clara
21, Santa Maria Maior
22, Santo António
23, São Domingos de Benfica
24, São Vicente

Annex 2

Instructions: Cross with an “X” where appropriate□, and please circle or cross out if you are on a scale of type: 1 2 3 4 5

SECTION I. GENERAL INFORMATION

1. Address (Neighborhood or Area of Lisbon, street):____

2. In what year did start this economic activity ____

3. In the country of origin have you worked in the same sector? □ Yes ______ □ No

4. Have you had other enterprise? □ Yes, Area ______________________________ □ No

5. What is the main activity of the enterprise (short description)?______________________________________

____

6. Type of establishment (property of establishment):

□ own property	□ Rented establishment	

7. Type of establishment (location):

□ local commerce (street store)	□ integrated trade (example: shopping center)	□ Other:_______

8. Which of these categories define your company? (cross one answer only)

□ Independent	□ *Franchising*	□ chain stores	□ Other:_____________

9. Owner characteristics:

9a. Number of owners____________

9b. □ Women □ men

9c. Age of principal owner:______

9d. Level of education:______________

9e. Nationality of principal owner:____________________________

9f. Will you apply for Portuguese nationality? □Yes □No

9g. Place of birth (city):________________

9h. Years of residence in Portugal: □ 5 or less □ between 6-10 years □ More than 10 years

10. Are you a member of a network or immigrants association?□ Yes □ No

11. Are you a member of an entrepreneurs association? □ Yes □ No

12. How many people work in this enterprise?

Only owners	
Other workers	
TOTAL	
Of all workers (including the owner) how many are women?	

13. How many workers and owners are from:

___ Cape Verde ___ Angola ___ others PALOP[19] ___ others Africa.:________	___ Portugal ___ East Europe ___ Others Europe. ________ ___Brasil ___Others South America___________	___China ___Bangladesh ___ India ___ Pakistan ___Others Asia_________

14. Indicate your preference when hiring staff:

People of the municipality	
Family members	
Immigrants of the same nationality	
Immigrants of different nationality	
Portuguese nationals	

14a. Among these, there is a group that you prefer to hire?

□ Yes, Which one: _________________________________ □ No

SECTION II. REASONS AND CHALLENGES FOR THE CREATION OF THE ENTERPRISE

15. Indicate the reasons to start your business

1. Family tradition		6. Flexible schedule	
2. For a higher income		7. To develop what I studied	
3. I could not find a job as an employee		8. I was laid off	
4. I wanted to be independent		9. I found a business opportunity	
5. This is what I always wanted to do		10. Previous experience in this activity	

15a. Of these, which consider to be the main reason to start the business?________________________________

16. Have gone to any institution to obtain support in the management and administration of your business?

City Hall	
Bank Entities	
Trade associations	
Immigrants association	
Others?	

17. Indicate difficulties experienced at the start of the business?

1. Language difficulties		6. Sense of social rejection	
2. Complexity of administration procedures		7. Search and provision of an establishment	
3. Cultural differences		8. Lack of information and difficulty to find it	
4. Difficulties to obtain funding		9. Permission to bank account	
5. Lack of customers		10. Others:_________________________	

17a. Of these, which consider to be the main difficulty?____

SECTION III. EXPECTATIONS AND SATISFACTION WITH THE BUSINESS

18. What is the expectation for the business in 2016?

Sales expectations 2016	Increase □	Same □	Decrease □
Economic environment	Increase □	Same □	Decrease □

19. Regarding to your level of satisfaction with your business / enterprise as a whole, are you:

Very dissatisfied □	Dissatisfied □	More or less satisfied □	Satisfied □	Very Satisfied □

[19] Portuguese speaking african countries: Angola, Cape Verde, Guinea-Bissau, Mozambique, Sao Tome and Principe and Equatorial Guinea.

20. Indicate what percentage of the sales are carried out to customers by nacionality:

Customers nacionality	%
Portugueses	
Immigrants of the same nationality	
Immigrants of different nationality	
Visitors / tourists	
TOTAL	100%

21. Indicate, in percentage the origin (nacionality) of the main suppliers:

Suppliers Origin	%
Suppliers from you country of origin	
Suppliers from Lisbon (LMA)	
Suppliers from the rest of Portugal	
Foreign suppliers	
TOTAL	100%

22. Indicate what has been the evolution of the following aspects in your business in the past two years:	**Better**	**Same**	**Worse**
Quality of product or service			
Customer satisfaction			
Company image			
Results/ profit			
Sales			
Employees motivation			

23. What is your priority for the future of your company (cross only one answer):

Leave the business	☐
Continue with the business as it is	☐
Expand the business	☐

SECTION IV. FINANCE OF THE COMPANY AND FAMILY INCOME

24. What was or is the degree of importance of the following sources of money in your company

	At the beginning of the activity	**At present**
Own or family savings		
Loans from family or friends (Portuguese)		
Loans from family or friends (other than Portuguese)		
Others lenders		
Banks or Financial advisers		
ONGs and cooperatives		
Suppliers		
Government subsidies		
Not needed		
Others		

24a. Of these, which was or is be the main source of money?	

SECTION V. ADMINISTRATION OF THE COMPANY

25. Indicate in relation to its accounting, economic and financial management if you have or do the following practices in your company:	Yes	No
Do you have tax invoices or receipts for the sale of your products or services?	☐	☐
Do you regularly use email and Internet in your company as a working tool?	☐	☐
Do you practice e-commerce?	☐	☐
Do you clearly identify family, personal and business expenses?	☐	☐
The sale of goods and services is enough to pay all your expenses (business and personal)?	☐	☐
Do you receive complaints from your customers?	☐	☐
Do you have contracted services with a temporary employment agency?	☐	☐
Do you resort to marketing and advertising services?	☐	☐

SECTION VII. ISSUES AND CHALLENGES

26. indicate the difficulties that your company or business is currently facing?

	Yes	No
Administrative		
Financial / funding		
Customers		
Problems of production		
Bureaucratic (licenses, etc.) and legal problems		
Logistical problems		
Problems of machinery and equipment		
Cultural differences		
Problems with workers (absences, conflicts,…)		
Vocational training (own and / or employees)		

26a. Of these, which do you consider to be the main difficulty?____

27. Other information
