



ЦЭНТР НОВЫХ ІДЭЙ

AB-BA



Belarusian Business Abroad

Research Results Briefly, Wave 2

May 2024



Research Methodology

- Online survey of 125 entrepreneurs from Belarus conducting business in EU countries, including 86 in Poland. Recruitment through ABBA's channels and partners (which are different from Wave 1, so a comparison of results is not possible).
- Online focus group on the topic "Choosing a country to do business in". Total number of participants: 5 individuals.

Data collection period:
from February 10th to March 25th, 2024

Research Team

Association of Belarusian Business Abroad (ABBA) is responsible for coordinating the research project and promoting its outcomes, including among the governments of EU countries. ABBA is the only membership association of Belarusian businesses abroad with an established advocacy structure in the EU.

Center for Social and Economic Research (CASE) provides expertise in preparing research instruments (surveys and focus group scenarios) and developing recommendations based on collected data. CASE is the largest and most authoritative economic research center in Central-Eastern Europe.

Center for New Ideas (CNI) handles the collection and analysis of data in the project. It is an independent think tank established in Minsk, Belarus in 2012. CNI's mission is to assist Belarusian society and the state in building a more open, flourishing, and sustainable Belarus.

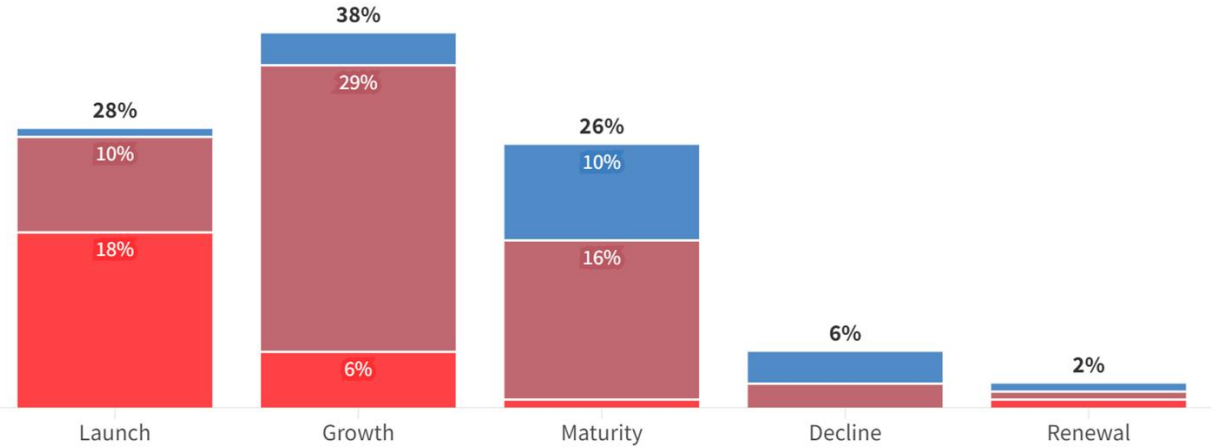
Portrait of Research Participants

The research reached a sample of micro, small, and medium-sized enterprises founded by Belarusian citizens that are in the startup, growth or maturity stage in the markets of EU countries.

How would you describe the current stage of development of your business in the European Union?

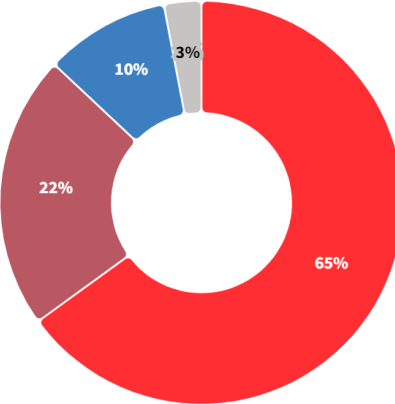
How long has your business/self-employment been outside Belarus?

■ up to 1 year (25% in the sample)
 ■ from 1 to 3 years (58%)
 ■ 3 years or more (18%)

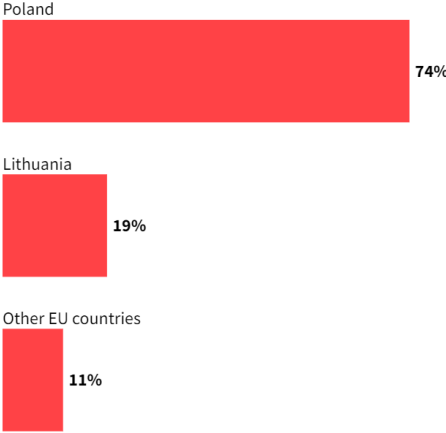


Enterprise size

■ Micro-enterprises (0-9 employees) in the form of IE / startup
■ Micro-enterprises (0-9 employees) in the form of a company
■ Small enterprises (10-49 employees)
■ Medium-sized enterprises (50-249 employees)



Countries where business is (goint to be) registered



* The sum exceeds 100%, as 5 respondents indicated more than one country

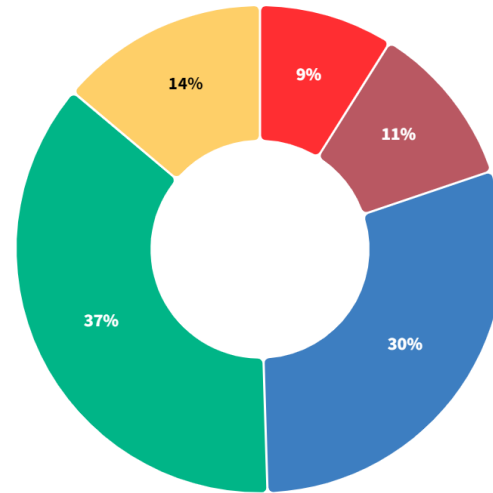
41% of respondents relocated their business from Belarus, and the rest either started or are starting it from scratch.

Individual entrepreneurs prevail among the forms of business registration. At the same time, the majority of IEs, like the whole sample, operate in the business-to-business market.

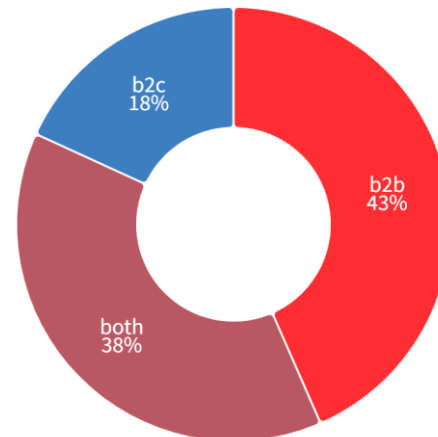
Half of the sample comes from two industries: Technology / Software and Information and Communication.

How business in the EU is connected with experience in Belarus

- They are planning to start a new business outside Belarus
- They conduct business outside of Belarus, but part of the business remains in the country
- They conduct business outside of Belarus, which was completely moved out of the country
- They conduct business outside Belarus, but they have never conducted it in the country
- They conduct business outside Belarus, which is different from the one they conducted in the country



Type of commerce



Industries

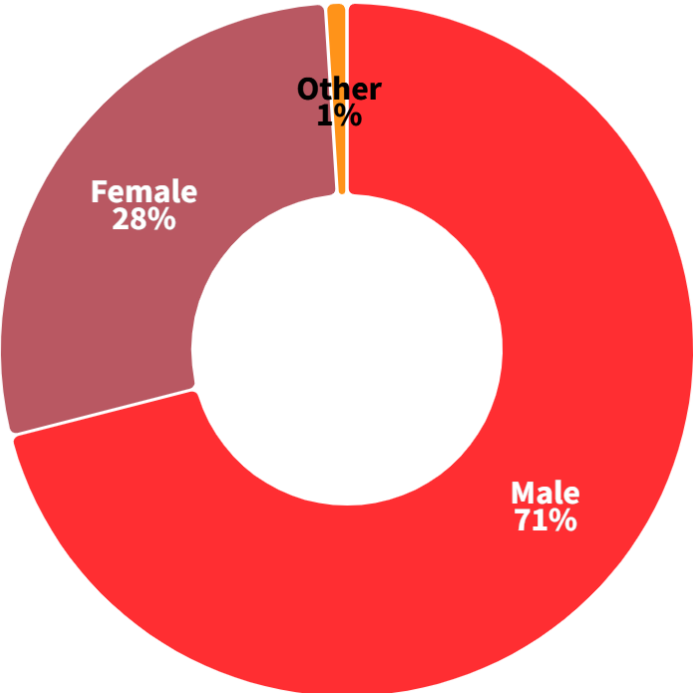


* The amount exceeds 100%, as several options could be selected

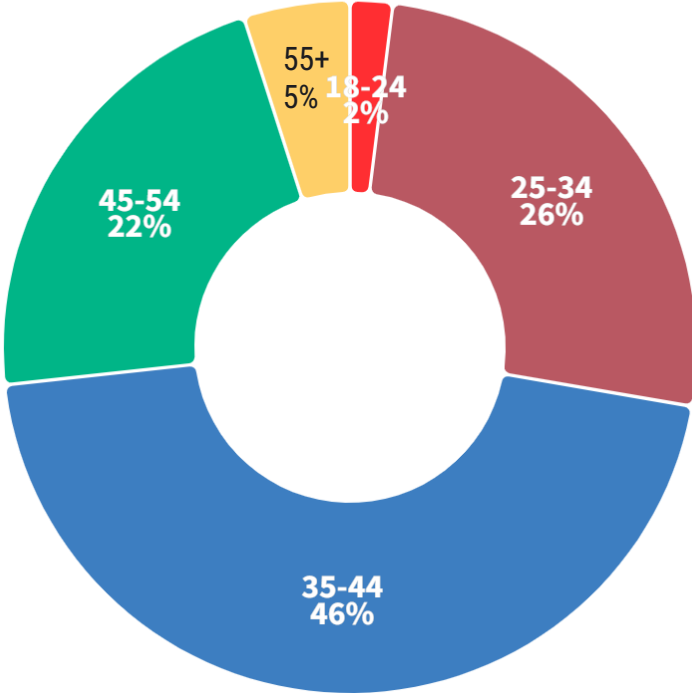
Portrait of Research Participants

The survey questions were mainly answered by business owners (95%) - individuals primarily aged up to 54 years old, with higher education. There are noticeably fewer women than men.

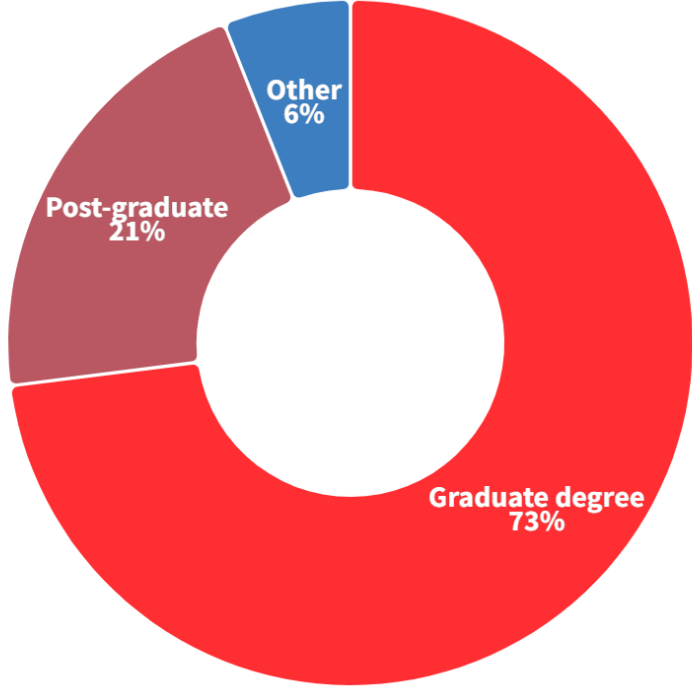
Gender



Age



Education level



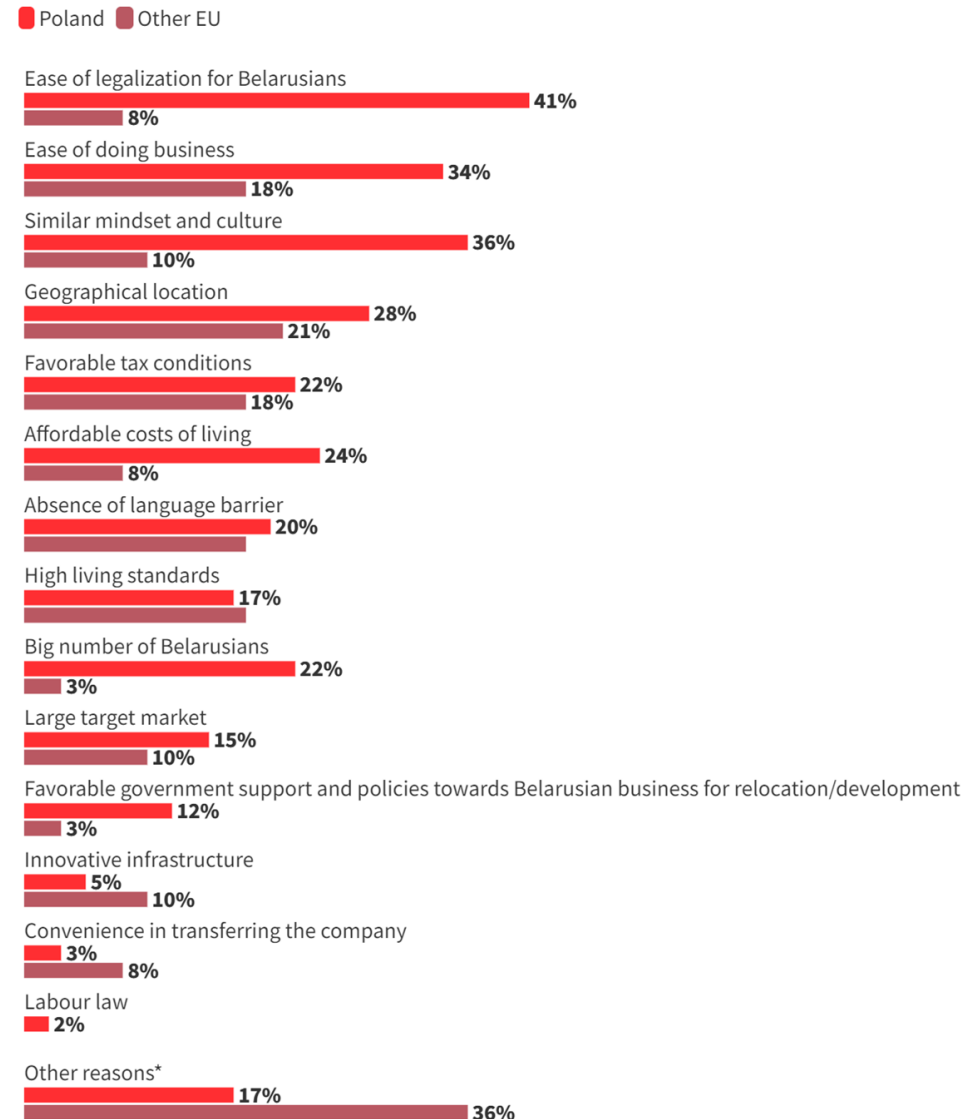
Reasons for choosing a country to do business in

Most of the respondents were forced migrants, so first the country was chosen for quick relocation, and then business was opened there. The main reasons for choosing a country: ease of legalization for citizens of Belarus, similar mindset and culture, affordable cost of living - separately for Poland; ease of doing business and geographical location - for all countries.

"Where I fled, there I opened [business], [since] I am a political [migrant]"

survey participant, female owner of a relocated business in Lithuania

Why did you choose to relocate/open your business to the current country?



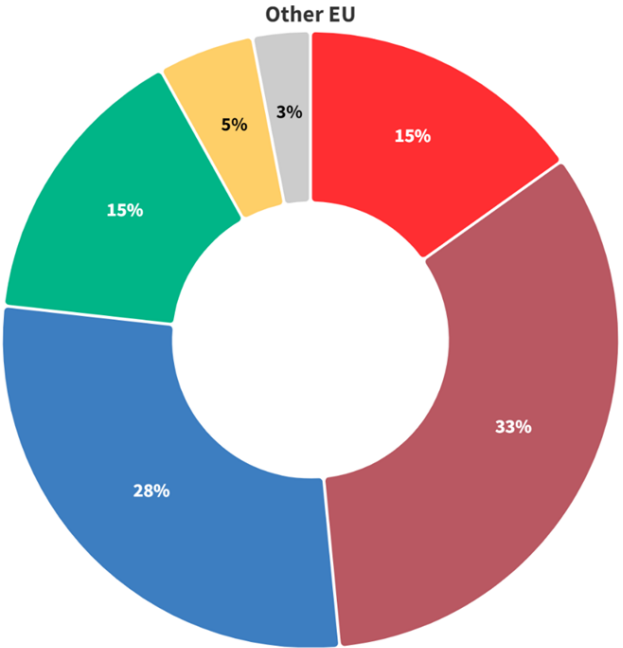
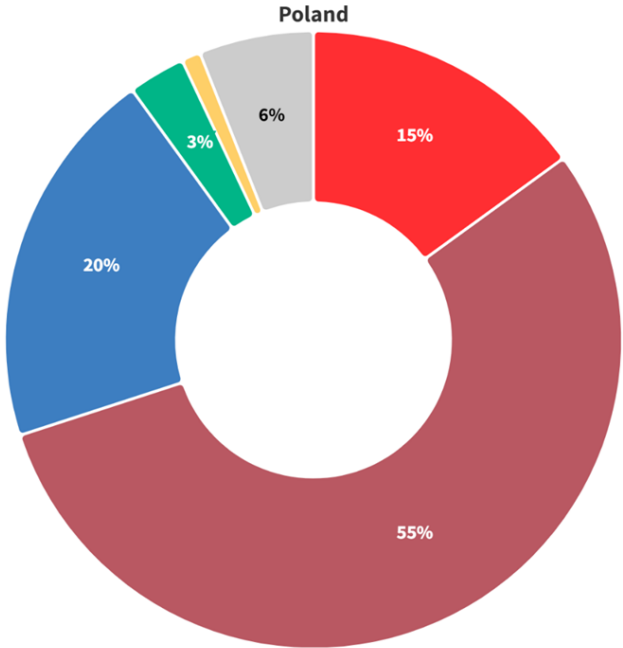
* I left Belarus because of repression; I have been living here; couldn't find other job

How Friendly is Business Atmosphere in the Host Country?

Poland looks much more favorable in comparison with other host countries: 70% of respondents rated business atmosphere here as friendly, while among respondents from other countries only 49% did.

How would you rate the overall business-friendly atmosphere in the host country?

Very business-friendly Somewhat business-friendly Neutral Not very business-friendly Not business-friendly at all Difficult to answer



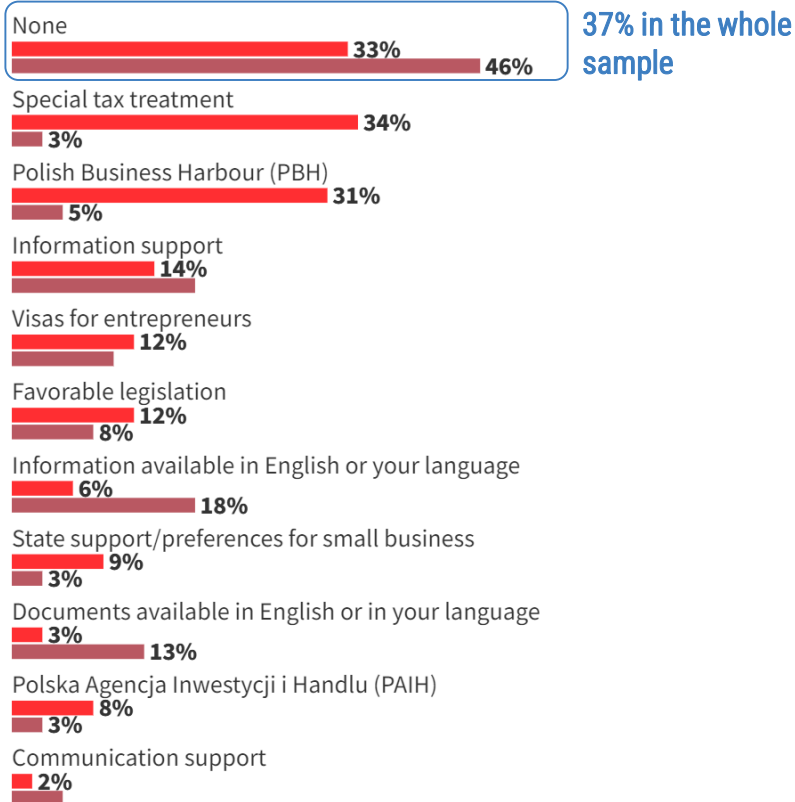
However, 20% in Poland (24% in the whole sample) are considering further relocating their business.

Support received

Are there any forms of government support that has helped you open/relocate your business?

Top-10 answers are shown

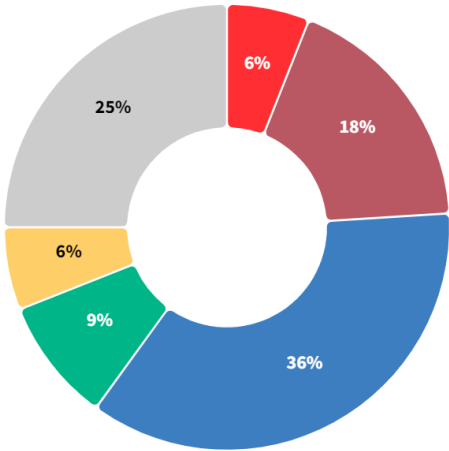
Poland Other EU



63% received some kind of support from the host state (tax benefits, visas, information support), but only 24% were satisfied with it. A significant part of respondents expressed a neutral attitude or found it difficult to give an assessment.

Are you satisfied with the governmental support of your business?

Yes, very satisfied Yes, somewhat satisfied Neutral Not very satisfied No, not satisfied at all Difficult to answer

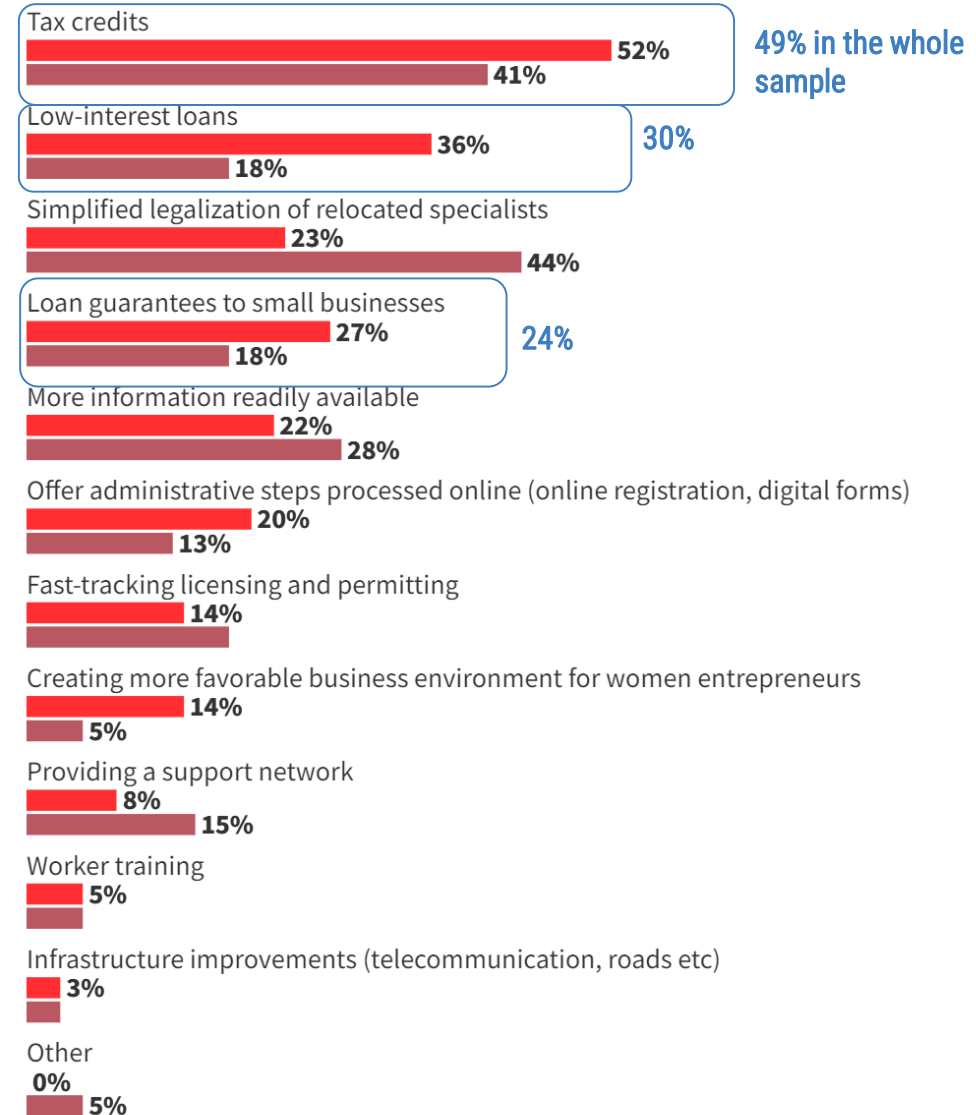


Support Still Needed: Finances

First of all, a variety of financial support for medium and small businesses is in demand. A significant part of Polish entrepreneurs have already benefited from tax incentives (especially ZUS incentives within the *Ulga na start* offer for new entrepreneurs), and such incentives remain relevant. In addition, low-interest loans and loan guarantees for small businesses are also of interest.

How can the government in the current country be more helpful in supporting your business?

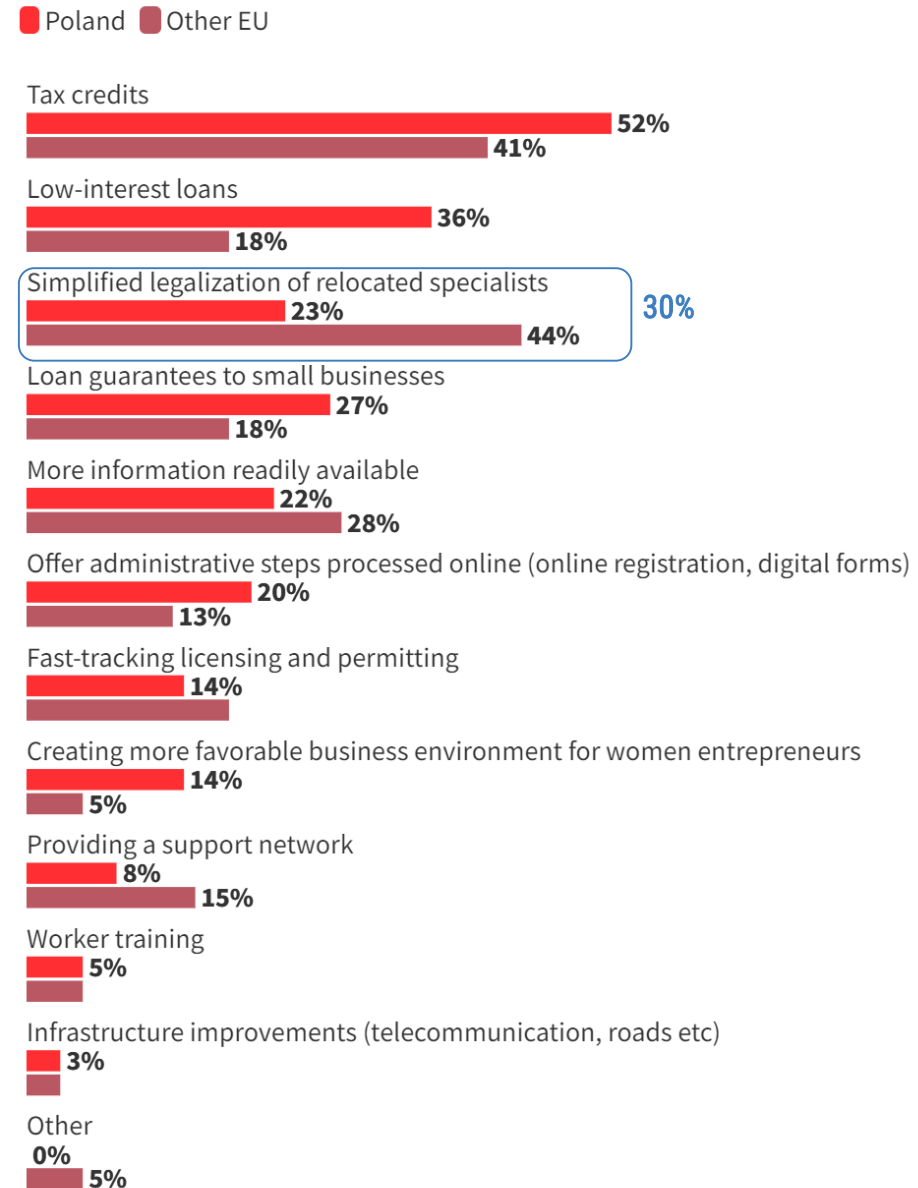
Poland Other EU



Support Still Needed: Legalisation

Increased opportunities for legalization of both entrepreneurs themselves and employees from Belarus are especially in demand in other EU countries, except Poland. Almost half of the respondents who made an attempt to relocate employees faced the corresponding problems (9% of the total sample; all cases were not from Poland).

How can the government in the current country be more helpful in supporting your business?



Support Still Needed: Information about Available Opportunities...

Better informing about all kind of opportunities available for entrepreneurs coming from Belarus is also appreciated as survey showed that:

- 71% do not know whether local or city authorities organize initiatives to support entrepreneurs moving to the region;
- 54% do not know about/ have no access to the forms of support offered by local business associations and chambers of commerce;
- 41% do not know about the existence of a network of local business contacts / do not have access to it.

...and Potential Risks

In addition, business migrants lack information about the risks of doing business in the new legal environment. Therefore, professional support on such issues is also relevant.

“What is terribly stressful here is that I don't know what I will have here tomorrow, i.e. tomorrow my accountant can send me ‘And here is more tax, please pay another 5k’.”

focus group participant, female owner of a new business in Lithuania

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