Opportunity REPORT

Opportunity for Change: Strengthening Refugee Self-Employment in Poland and Germany

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Project Overview: Project OPPORTUNITY is an 18-month initiative led by IRC Poland, in partnership with Microfinance Center (Poland), IRC Germany, Perspektive neuStart (Germany), and European Humanities University (Lithuania). The project aims to develop sustainable solutions by adapting and applying the SIM – Opportunity Self-Employment model to the Polish and German contexts. This approach will strengthen support for Ukrainian refugees and foster stronger connections with BDS stakeholders, driving social change in environments where institutional frameworks are limited.

Grounded in a clear Theory of Change, the project focuses on adapting the SIM model to refugee needs, upskilling BDS providers, improving refugee entrepreneurs' capabilities, and raising awareness among key stakeholders. Through research, curriculum development, and capacity-building, the consortium will deliver contextually relevant and time-sensitive solutions that not only benefit Ukrainian refugees but also lay the groundwork for supporting other displaced populations on their self-employment journey.

Executive Summary

This report presents a comprehensive analysis of the Business Development Support (BDS) ecosystem for Ukrainian entrepreneurs in Germany and Poland, with a focus on the period following the full-scale invasion of Ukraine in 2022. Despite possessing substantial human capital, these entrepreneurs face distinct challenges stemming from forced displacement, such as psychological trauma, language barriers, and limited familiarity with host country legal and administrative frameworks.

Grounded in Social Innovation theory and the Opportunity Self-Employment model, the report explores refugee integration through entrepreneurship. Drawing on focus group discussions with Ukrainian refugee entrepreneurs and in-depth interviews with BDS providers, the analysis uncovers a significant mismatch between the services offered and the actual needs of the target group.

While BDS providers deliver a range of support, from legal advice and micro-grants to mentoring and networking, they are constrained by systemic issues including short-term funding cycles, high staff turnover, and limited capacity to scale. On the other hand, Ukrainian entrepreneurs express a strong demand for sustained engagement, customized support, and deeper integration into local business networks to build viable enterprises.

A key finding of this report is the critical, yet often overlooked, role of psychosocial support (PSS) in enabling refugee entrepreneurs to navigate the emotional and psychological complexities of displacement and business creation. Addressing these needs is essential for fostering long-term economic empowerment and successful integration.

To address the limitations of generic refugee support and short-term interventions, this report calls for a shift toward targeted, sustainable approaches that reflect the diverse profiles and needs of displaced Ukrainian entrepreneurs. Central to this vision is the proposed Opportunity Self-Employment model, an adapted Social Innovation framework designed to bridge existing gaps in the BDS ecosystem.

The model advocates for the development of an integrated support system where services are interconnected and easily accessible. As part of this effort, the report introduces a guidance report and a tailored BDS package aimed at fostering a more responsive and effective entrepreneurial environment.

By promoting long-term economic integration, the Opportunity Self-Employment model seeks to catalyze systemic change, including policy reform, institutional adaptation, and the strengthening of civil society's capacity to support refugee entrepreneurship. This strategic approach positions entrepreneurship not only as a pathway to self-reliance but also as a driver of inclusive economic development in host countries.

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Introduction:
A Paradigm Shift in Refugee Integration

Background and Context

The Ukrainian refugee crisis, triggered by Russia's invasion in February 2022, has created Europe's largest refugee movement since World War II, with over 5.1 million Ukrainian refugees across Europe as of August 2025.[1] Current distribution shows Germany hosting 1.2 million refugees (the largest number), followed by Poland with 1 million. This population presents unique characteristics that require specifically tailored support frameworks distinct from previous refugee responses.

Ukrainian refugees exhibit distinctive demographic patterns that set them apart from previous refugee waves. 70.2% are female, with a median age of 25 years, and approximately 51% are children.[2] This composition results from Ukraine's mobilization restrictions preventing men aged 18-60 from leaving the country. The educational profile is exceptionally high, with 62-76% of adult refugees holding tertiary degrees, significantly exceeding both other refugee populations and the general Ukrainian population.[3] Despite high education levels, Ukrainian refugees face significant employment challenges: two-thirds remained unemployed after two years in Western Europe[4] and 60% work in sectors unrelated to their previous experience, with widespread overqualification for current positions.[5] This represents a unique challenge since many Ukrainian refugees fleeing the war bring high levels of education and professional experience.

There is also a notable demographic of entrepreneurs and those with prior business experience, who, facing the imperative of economic integration and self-sufficiency, often seek self-employment as a pathway to rebuilding their lives.[6] These circumstances pre-determined distinct patterns in Ukrainian refugee entrepreneurship, understanding of which is the foundational step in designing any effective support framework.

Many Ukrainian refugees arriving in Germany and Poland are driven by a dual motivation for self-employment. On one hand, there is a clear necessity, as individuals seek to escape low-wage employment and secure financial stability for their families, seeing no other viable opportunities besides self-employment.[7] On the other hand, a significant number are driven by a desire for self-realization and to leverage their existing skills and prior entrepreneurial experience. They have a strong desire for autonomy and control over their work and time. Many Ukrainian refugees also sought to continue, adapt, or replicate their businesses from Ukraine.[8]

Reframing Refugee Integration through Social Innovation Theory and Opportunity Self-Employment

The global discourse on refugee integration is undergoing a critical evolution, moving beyond traditional models of humanitarian aid and passive dependency towards proactive strategies that foster economic self-sufficiency and social contribution. At the forefront of this shift lies the concept of social innovation, defined as the development and implementation of new solutions to social problems that are more effective, efficient, sustainable and often scalable than existing approaches. As applied to immigration, integration and entrepreneurship, this concept encompasses four central dimensions[9]:

- addressing social needs and/or societal challenges (e.g. social cohesion);
- development and implementation of new ideas for products, services, processes and/or models;
- participatory approaches to engage target groups and create new relationships and/or collaborations between public/civil society/private organizations;
- goals/benefits for society.

1 *UNHCR. (2025). Ukraine refugee situation*
2 *Centre for Economic Strategy. (2023). Refugees from Ukraine: Who are they, how many are there, and how to return them? Final Report.*
3 *OECD. (2023). Recognition of Prior Learning for Ukrainian Refugee Students*
4 *Gorbach, D., Polshchykova, Y., & Ryabchuk, A. (2024). Elusive privilege: class, race and gender in Ukrainian war migrants'(un) employment in France. Dialectical Anthropology, 1-17.*
5 *UNHCR. (2025). High employment rates, but low wages: a poverty assessment of Ukrainian refugees in neighboring countries*
6 *Pędziwiatr, K., Smaliichuk, H., Voznyuk, I., & Brzozowski, J. (2024). How it started, how it evolved: Ukrainian entrepreneurship in Poland. International Entrepreneurship Review, 10(4), 41-56.*
7 *Gaweł, A., & Marcinkowski, B. (2025). Transforming into formal entrepreneurs: the path of Ukrainian immigrants in Poland. Journal of Entrepreneurship in Emerging Economies, 17(7), 51-72.*
8 *Ibid.*
9 *Guide for the implementation of projects under the priority "Social Innovation" in the ESF+*

Within this paradigm, refugee entrepreneurship emerges not merely as an economic activity but as a potent form of social innovation. When adequately supported, it empowers displaced individuals to become agents of their own integration, generating economic stability for their families, creating employment opportunities for both fellow refugees and host community members, and thereby fostering social cohesion.[10] Evidence consistently shows that refugees, as a group, possess a remarkable entrepreneurial spirit, often starting businesses at higher rates than both other immigrant groups and the native-born population.[11]

Historically, the political and academic discourse on refugee economic integration has been dominated by models focused on necessity-driven, subsistence-level self-employment.[12] However, the large-scale displacement of Ukrainians with a high level of human capital and entrepreneurial potential to EU states, including Germany and Poland, necessitates a **paradigm shift**.

In this regard, several theoretical approaches are applicable to studying Ukrainian refugee entrepreneurs' motivation. The Kirzner's Alertness Theory highlights the ability of entrepreneurs to identify undervalued resources or unmet needs[13] – something particularly relevant for displaced Ukrainians who recognize market gaps linked to their communities, such as demand for home-country products, translation services, or digital solutions. Reynolds' opportunity-based view underscores how regional and institutional factors (e.g., in Poland and Germany) shape entrepreneurship[14], while Huang's perspective on opportunity creation emphasizes the role of interaction between supportive host-country institutions and individual knowledge and networks enabling to act for transforming opportunities into viable ventures.[15]

Drawing on these theoretical insights regarding how market alertness and institutional environments shape entrepreneurial behaviour, it is analytically necessary to categorize the real-world motivations of displaced individuals. This categorization, however, should not be viewed as a rigid dichotomy but rather as a **spectrum** defined by two fundamental categories – **necessity and opportunity**, whose boundaries are often blurred. Particularly as an entrepreneur's initial survival-driven motivation may evolve into a growth-oriented strategic vision over time.

"Necessity entrepreneurship" is motivated by immediate needs, such as securing a livelihood, achieving income stability, or meeting family and caregiving obligations.[16] Often arising in response to significant barriers to formal employment, such as unrecognized qualifications, language barriers, or restrictive work rights, this path demonstrates high resilience and adaptability. While sometimes starting small or informally, these ventures are vital for the subsistence of founders and their families. This often makes ventures low-risk, small-scale, and closely tied to sustaining daily life rather than pursuing growth or innovation.[17] These ventures often have limited potential for scalability and broader economic impact.[18] At the same time, Necessity entrepreneurs not only secure livelihoods for their families but also contribute to social and cultural integration within host communities.[19] In many cases, if constraints such as limited access to finance, lack of formal qualification recognition, or regulatory barriers are removed, these enterprises may demonstrate potential for growth and broader economic participation.[20] Consequently, many traditional refugee support programs are, implicitly or explicitly, targeted at this type of survivalist enterprise.

In contrast, **"Opportunity entrepreneurship"** is driven by the proactive identification of a market opportunity or social and environmental problem to be solved using business tools. Such activities are fueled by the entrepreneur's unique skills, professional experience, and strategic vision and growth aspirations.[21] This form of entrepreneurship is not merely a last resort for refugees but a desired path to leverage human capital and create substantial value within the host economy. It is characterized by higher growth potential, innovation, and the capacity to create a considerable number of highly productive jobs.[22]

While other categories (e.g., social, care-linked, ethnic, or transnational entrepreneurs) provide nuance, they ultimately fall within one of these two overarching groups, depending on their underlying motivation and context.

Combined with the **Social Innovation Model (SIM)** that recognizes refugee entrepreneurship as both a pathway to individual financial independence and a mechanism for broader community economic development, the **Opportunity Self-Employment model represents a paradigm shift in refugee integration approaches**. This combination reframes self-employment from a last resort to a viable pathway for rebuilding careers, contributing to the host country economy and home country well-being.

However, current integration systems, which frequently emphasize necessity-driven employment, inadvertently relegate highly skilled individuals to low-wage or informal labour, a phenomenon the project terms the **"canvas ceiling"**. Their high levels of prior business experience may lead to an overestimation of the transferability of their skills and a tendency to replicate past businesses without adaptation into vastly different market environments. This results in a systemic loss of human capital for both the refugees and their host economies. A critical failing of the existing support infrastructure is that BDS providers, who are intended to aid these individuals, often lack the specialized knowledge, resources, and networks to address the unique needs.

Furthermore, the motivations of Ukrainian entrepreneurs are not homogeneous; they range from necessity ("I need money, I am raising a child"), scaling established international ventures, pivoting professional competences ("to use my skills to the full") to launching innovative, niche businesses or social ventures.[23] This observation challenges the clean dichotomy found in some academic literature. The context of forced displacement creates a unique, hybrid motivation where the lack of traditional employment options can paradoxically act as a powerful catalyst for a proactive, opportunity-driven approach, particularly among a highly educated population.

Based on these premises, this report provides strategic, evidence-based guidance for supporting Ukrainian entrepreneurs in Poland and Germany. The core objective is to move beyond conventional employment models and leverage the significant human capital of displaced professionals through the Opportunity Self-Employment Model. The research aims to deliver three core components, directly fulfilling the project mandate: (1) a detailed assessment of refugee needs vis-à-vis BDS provider offerings and capacities, (2) the development of an adapted Social Innovation Model, and (3) a practical Guidance Report for implementation and advocacy.

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Chapter 1.

Methodological Framework and Thematic Analysis of Social Innovation Models

Methodological approach

This report combines qualitative research and desk analysis to capture the experiences of Ukrainian entrepreneurs and the perspectives of BDS providers in Germany and Poland. Using an intersectional lens, the approach includes Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs), complemented by analytical synthesis.

Focus Group Discussions (FGDs): Four focus group discussions (FGDs) were conducted with Ukrainian nascent and active entrepreneurs in Germany (Nürnberg and Potsdam) and Poland (Warsaw), comprising a total of 18 participants, 11 of whom were women (Table 1). To enable gender-sensitive comparison, one FGD consisted exclusively of women, one of men, and two were mixed. The FGDs were instrumental in providing direct, demand-side insights into the entrepreneurial journey and needs of the target population, revealing a dual motivation of "necessity" and "opportunity".

Table 1. FGDs' profiles

FGD number	Place and date	Gender composition	Average age
1	Nürnberg (Germany), 30.06.2025	Male – 2 Female – 4	45.3
2	Potsdam (Germany), 02.07.2025	Male – 1 Female – 3	35
3	Warsaw (Poland), 27.06.2025	Male – 4 Female – 0	34.5
4	Warsaw (Poland), 29.06.2025	Male – 0 Female – 4	Age was not disclosed by 2 participants

Key Informant Interviews (KIIs): Twenty semi-structured KIIs were conducted: ten with senior representatives from BDS providers in Poland and ten with senior representatives from eight BDS providers in Germany. The representation from international institutions, private sector entities, and civil society organizations (CSOs) was ensured to capture the full ecosystem perspective. The interviews aimed to provide an in-depth understanding of the supply side of support, including organizational profiles, current service offerings, methodologies employed, and perceived challenges in service provision. These were treated as de facto case studies of social innovation in practice, allowing for a comparative analysis of their methodologies and a direct correlation between their on-the-ground experience and the needs expressed by entrepreneurs.

Desk Research: The research was complemented by a systematic review of existing secondary data and publications related to refugee entrepreneurship and social innovation. The qualitative data from these sources were analysed using three key methods to ensure a clear and rigorous evidence base: **descriptive analysis**; a **thematic analysis**; a **detailed textual and thematic analysis** of the KIIs.

The fieldwork was conducted in June-August 2025 in both Poland and Germany. Ethical standards were upheld in line with IRC guidelines, ensuring voluntary participation, informed consent, confidentiality, and secure data handling.

Chapter 2.

Assessment of non-financial BDS services against the needs of self-employed refugees in Poland and Germany

2.1. The Entrepreneur's Journey: Challenges & Support Needs

Despite the existing support structures, self-employed Ukrainian refugees in Poland and Germany face a multitude of significant barriers that impede their entrepreneurial success and integration. This chapter analyses the gap between the BDS services offered and the needs of self-employed Ukrainian refugees in Germany and Poland, using FGDs, KIIs with providers, and a review of existing initiatives and best practices.

Pre-start phase:

Access to information: While entrepreneurs are adept at using digital tools like ChatGPT, Google, and Telegram for general information, they consistently reported a lack of structured, step-by-step guidance on how to initiate and operate a business using these tools. They found information "too general and outdated" or "too much scattered information, which is impossible to digest".

Market knowledge gaps: Understanding local consumer behaviour, competition, and cultural business norms is another major challenge. Entrepreneurs needed "structured information on where and how to find German clients" and "a marketing survey, to find the target audience" in Poland. Lack of familiarity with local practices, such as the widespread use of BLIK for payments in Poland, led to initial business missteps.

Non-recognition of qualifications: This was a pervasive barrier, with participants reporting that Ukrainian diplomas were not recognized, severely limiting professional opportunities and self-worth in certain spheres of business (e.g. engineering and construction). One German participant faced "partial recognition of his diploma", while another was told her USSR-era diploma was "useless to recognize". This directly impacts their ability to scale or even start businesses aligned with their expertise.

Start-up phase:

Bureaucratic & legal hurdles: Navigating the administrative and legal frameworks in both Germany and Poland is a significant obstacle. Understanding tax nuances, invoicing, and legal requirements for residency through entrepreneurship were consistent challenges. Also, entrepreneurs reported "too many different support programs" with "no clear structure". In Poland, banking issues were a major frustration, with one participant facing "idiocracy" when trying to open an account due to being Ukrainian, and another struggling to open a company account without a *karta pobytu* (residency card), creating a "closed loop". One BDS provider noted that entrepreneurs "fear doing something wrong – they think a mistake in their tax declaration will land them in jail". This anxiety is echoed in FGDs where participants express concern about taxes even before generating revenue, indicating a system that is perceived as punitive and opaque. German entrepreneurs also expressed ignorance about the tax system and the need for advice *before* starting a business.

Financial foundation: Entrepreneurs in the **Start-up** phase often face significant anxiety regarding the financial foundation of their new ventures, expressing concern over managing taxes even before generating revenue. They caution against the danger of pursuing "good ideas with bad financial models," highlighting a critical need for support to "calculate a financial model of the business." Therefore, essential services in this phase must provide clear guidance on basic tax liability and invoicing rules to ensure a compliant and financially sustainable operation from day one.

Growth and consolidation phase:

Scaling challenges: Difficulties with hiring the first employee, accessing growth capital, and expanding market reach were often mentioned by active entrepreneurs. They emphasize the "burden" of employees due to different mentalities and the need for information on "how to hire employees, for what business models' employees are relevant,

what contracts to use". An entrepreneur in Poland noted the different "mentality of work," where the expectation of being available on weekends for high-stakes business matters, common in Ukraine, does not translate to the local context. **Advanced financial management:** As businesses enter the Growth & Consolidation phase, their financial needs become more sophisticated, such as requests for tax optimization, effective cash flow management for expansion, and detailed financial planning for sustained growth. A critical gap in the ecosystem is the lack of proactive guidance, as demonstrated by entrepreneurs only discovering relevant benefits – like tax cuts for younger individuals – by accident. To effectively support scaling, there is a clear need for precise information on advanced tax nuances and consistent access to growth-focused capital.

Cross-cutting Psychosocial & Non-Business Needs:

Psychosocial support: Managing trauma, stress, and maintaining work-life balance are critical but often overlooked needs of potential and nascent entrepreneurs. Participants expressed a profound lack of "psychological support and belief from society" and faced "demotivation from surrounding people". The "fear of losing money" and the emotional burden of displacement were significant psychological barriers. The lack of widespread, comprehensive psychological support is one of the biggest gaps in the current BDS landscape. This is often linked to the state of living in "the big unknown," where uncertainty about legal status and the safety of their businesses and families back in Ukraine creates immense emotional pressure.

Networking & community: The critical role of peer support networks for practical advice and emotional support was emphasized. Entrepreneurs felt a lack of "network of contacts" and found it "hard to find information" without friends and a supportive network. A strong desire to create a "business community that will unite German and Ukrainian entrepreneurial experience" was expressed. This need for community and connection is a dominant theme in Poland as well, where there is "a huge need in networking between people who have a business and those who want to start a business." At the same time, commercial networking events are considered too expensive for entrepreneurs. This suggests that facilitated, free-of-charge networking is one of the most effective and desired forms of non-financial BDS.

Gender-specific challenges: There are several challenges that disproportionately affect women entrepreneurs, often rooted in structural and systemic barriers. They include childcare limitations, lower entrepreneurial confidence despite extensive experience, and difficulties in reaching unknown customers. One German provider noted that "women often don't dare to take high prices" and need support in questions like "what am I worth".

The table below lists and summarizes the key cross-cutting needs of Ukrainian entrepreneurs by topics and the desired support, as identified through the FGDs.

Table 2. Summary of Ukrainian Entrepreneur Needs and Desired Support (based on FGDs)

Category of need	Specific needs identified (Demand)	Desired BDS curriculum/support elements
Financial access	Lack of information on funding; difficulty obtaining loans/grants; fear of financial loss.	Clear information on grants, subsidies, investment opportunities; guidance on financial optimization; support in constructing contracts with private investors.
Legal and bureaucratic navigation	Complex administrative processes; unclear legal/tax nuances; difficulty with residency permits through business; outdated information.	Structured, step-by-step guidance on business registration, legal forms, tax brackets, invoices; FAQs for common legal/tax issues; information on governmental institutions and their jurisdictions.
Language & cultural adaptation	Language barrier in professional contexts; difficulty understanding German/Polish regulations; lack of understanding of cultural nuances (e.g., payment methods).	Native-language support for business purposes; culturally sensitive training on local business practices, local consumer behaviour, and; information on finding and approaching local clients
Market entry & growth	Lack of knowledge on market analysis, niche profitability; difficulty finding German/Polish clientele; need for expansion strategies.	Marketing surveys; market/niche analysis (SWOT/PEST); digital marketing (social media, e-commerce algorithms); market entry strategies; guidance on business expansion plans.
Psychosocial support & confidence	Lack of psychological support; demotivation from surroundings; fear of failure; discrimination; low self-esteem.	Person-centred approach; confidence-building activities; integration of personal development/mindfulness; peer support networks; long-term accompaniment by coaches.
Digital skills	Gaps in e-commerce knowledge; specific social media algorithms; effective use of AI tools for business.	Practical workshops on e-commerce setup, content creation; training on applying AI tools for business tasks.
Structured guidance	Overload of fragmented information; lack of clear, actionable steps for business setup and development.	Clear, step-by-step roadmaps/algorithms; practical, hands-on workshops; sector-specific guidance.
Networking & community	Lack of contacts; social isolation within ethnic communities; need for cross-cultural business connections.	Facilitated networking sessions; creation of integrated German/Polish-Ukrainian business communities; access to verified contacts.
Qualification recognition	Non-recognition of Ukrainian diplomas/experience; difficulty obtaining local certifications.	Support in qualification recognition procedures; guidance on meeting local certification standards (though direct BDS role is limited).

2.2. The Support Ecosystem: Profile of Business Development Service Providers

The ecosystem of BDS providers supporting Ukrainian entrepreneurs and represented by organisations selected and interviewed is diverse in both Germany and Poland. Our sample encompasses a range of organizational sizes, funding models, and specific mandates:

In Poland: FIIW (Foundation Innovation and Knowledge); InMarket Foundation; EBRD (Economic Bank of Reconstruction and Development); Venture Cafe Warsaw Foundation; Dharma; Polish-Ukrainian Chamber of Commerce; Youth Business Poland; Right to Protection; Fundacja Ukraina; ELEOS, Prawosławny Metropolitalny Ośrodek Miłosierdzia.

In Germany: Social Impact gGmbH; CEQTOR Vasili Schewelow & Dimitri Orlow GbR; Kompass – Zentrum für Existenzgründungen Frankfurt am Main gGmbH; jumpp – Frauenbetriebe e.V.; FITT gGmbH; Pro Social Business e.V.; LOK.a.Motion GmbH; AAU.e.V.

In general, both Germany and Poland exhibit a diverse yet fragmented BDS ecosystem. In both countries, organizations vary significantly in size, from small two-person GbRs (CEQTOR) to larger foundations with over 100 employees (Social Impact, FITT). Funding models are also similar, predominantly relying on public grants (ESF, state, municipal, EU) and private foundations, making most services free for beneficiaries. Some organizations in both countries also have commercial components or membership fees.

A key similarity across studied BDS providers is the strong focus on vulnerable populations, including migrants and refugees, with many organizations or custom-made initiatives targeting Ukrainian refugees. Many German organizations, such as Social Impact, KOMPASS, jumpp, Pro Social Business, and AAU.e.V., have a longer history (20+ years) in migrant support compared to some of the Polish organizations that emerged or scaled up significantly after 2017 or 2022 (InMarket, Venture Cafe). This suggests a more established infrastructure for migrant integration in Germany. However, the overall challenge of fragmentation, where no single centralized entity guides entrepreneurs, is common to both countries.

Current BDS Offerings and Methodologies

Most BDS providers in both countries cover **core business fundamentals**. This includes business plan development, financial planning, market research, legal/formal requirements, sales, marketing, and accounting.

In general, the support ecosystem is composed of distinct provider types, each performing a specific task. Table 3 provides an evidence-based synthesis of how the selected BDS providers differentiate by sector and the practical implications these differences have for the target audience.

Table 3. BDS Providers' Offerings by Sector (based on KIIs)

Dimension	NGOs / Foundations / Social enterprises	Private / Commercial
Key offerings & methodologies	Integrated & basic support: Micro-grants, basic legal/formal guidance, business consultations on primary topics (e.g., taxes and accounting), mentoring, and psychosocial support.	Advanced & specialized support: Complex contract construction (e.g., with private investors), advanced tax optimization, specialized market analysis/surveys, and high-value mentorship.
Cost to client	Mostly free or low-cost for target groups.	Mostly paid (market rates) or mixed (paid + occasional pro-bono).
Targeting	Vulnerable / targeted groups (women, refugees, disabled); language-sensitive.	Entrepreneurs ready to pay / scale; niche segments.
Depth of service	Longer mentoring, PSS referrals, flexible delivery, bilingual support.	Short intensive modules, scaling/market access help, pitch/investor preparation
Language & cultural fit	Stronger bilingual/multicultural offerings (UA/RU/EN).	Less likely to provide target-language delivery unless niche.
Psychosocial support (PSS)	Often embedded or actively referred – trauma-informed approaches.	Rare unless partnered with NGO.
Link to finance	Some micro-grants; community savings referrals.	Investment readiness, private finance facilitation (no grants).
Speed / flexibility	Flexible and person-centred but limited by funding cycles.	Fast, client-responsive; sustainability via fees.
Best for client profile	Vulnerable, low-language, trauma-affected, women, early-stage.	Market-ready, growth-oriented, able to pay for targeted help.
Examples	Social Impact gGmbH, FITT gGmbH, Youth Business Poland, Right to Protection, Pro Social Business, Venture Cafe Warsaw Foundation, jumpp – Frauenbetriebe, Fundacja Ukraina, ELEOS, Polish-Ukrainian Chamber of Commerce	Dharma, CEQTOR, LOK.a.Motion GmbH

As for a cross-country perspective, both countries' BDS providers have moved towards more practical, workshop-based approaches and individualized mentoring, recognizing the importance of language and cultural sensitivity. However, the extent and depth of holistic support vary. While some Polish providers like Dharma deeply integrate personal development, the EBRD explicitly states that psychosocial services are "not their mandate." In Germany, many providers acknowledge the profound psychological impact of trauma and integrate trauma-informed approaches or referrals more explicitly into their services. German providers also place a strong emphasis on providing "system knowledge" about the German economic context, official formalities, and tax systems, recognizing that Ukrainian entrepreneurs often lack this specific understanding.

Systemic Challenges in Service Provision

BDS providers in both Germany and Poland, while committed to supporting Ukrainian entrepreneurs, encounter a range of systemic and operational challenges that impede their ability to deliver consistently effective services.

A primary obstacle in both countries is **funding and financial sustainability**. Providers frequently face shrinking public funding, project-based funding that creates instability and limits continuity, and a lack of long-term post-startup support funding. This constraint directly impacts the scope, content, and duration of their programs.

The methodological design explicitly aimed to contrast the two distinct host country environments to ensure the adapted SIM is geographically relevant. While core needs (such as accessing growth capital) are shared, the systemic barriers and therefore the necessary BDS interventions differ based on the local context (Table 4).

Table 4: Differential Systemic Challenges

Host country	Primary systemic challenge	Manifestation of challenge
Germany	Bureaucratic Complexity & Regulatory Compliance	Lengthy registration; strict licensing; complex tax/labor law; psychological fear of non-compliance.
Poland	Informal Network Dependence & Market Access	Reliance on diaspora networks; difficulty securing local contracts/suppliers; lack of professional social capital.

Entrepreneurs in Germany consistently face higher barriers related to **bureaucratic complexity** and strict regulatory compliance. This includes lengthy, non-digitized registration processes, complex local licensing requirements for specialized trades, and a high psychological hurdle associated with perceived punitive taxation and labor laws. This environment creates high **transaction costs** and delays in launch, making the need for highly detailed, step-by-step legal and financial literacy support critical.

While initial business registration is often perceived as simpler in Poland, entrepreneurs grapple more intensely with **informal network dependence**. They struggle to access established local business circles, secure contracts with local suppliers, and build the necessary professional social capital outside of the dense Ukrainian diaspora community. This dependency limits access to the broader host country market and financing, making the need for facilitated, structured networking and mentorship paramount for market integration and scaling.

2.3. Discrepancy Analysis: Bridging the Supply and Demand Gap

This section systematically compares the expressed needs of Ukrainian entrepreneurs (demand-side findings from FGDs) with the current offerings and perceptions of Business Development Services (BDS) providers (supply-side findings from KIIs) in Germany and Poland. This direct comparison reveals several critical gaps where current support mechanisms fall short of addressing the comprehensive needs of this vulnerable population.

Content mismatch. Entrepreneurs consistently demand practical, "how-to" skills, particularly in areas like digital marketing, e-commerce algorithms, and specific tax optimization strategies for the immediate start of a business.

While many BDS providers aim for practical, workshop-based learning, a "practical application deficit" persists. Entrepreneurs struggle to apply generic advice to specific business needs. German providers, while emphasizing "systemic knowledge", still note that entrepreneurs often lack awareness of the full administrative and tax complexities.

Methodological mismatch. Ukrainian entrepreneurs express a strong desire for ongoing, on-demand, and highly individualized support, often requesting a "personal coach or consultant who accompanies him/her for approximately two years." They seek "continuous support" and "consultations afterwards", highlighting a fundamental need for "handholding" throughout their entrepreneurial journey. The funding structures in both Germany and Poland often do not allow for the sustained, long-term engagement that clients desire.

Post-launch support gap. A significant and consistently identified systemic failure in both Germany and Poland is the lack of support for businesses beyond the initial startup phase. BDS providers in both countries frequently highlight that "after the foundation, there is no more support because it is not paid," and that "post-startup support is critically underfunded." There is "no public structure for long-term post-startup support", and funding systems often "do not match real-time client needs or pace." This is a direct consequence of project-based funding models that prioritize initial registration over sustained development.

A relevant example of post-launch support is the IRC Microenterprise Follow-Up Guidance that emphasizes sustained engagement over 6–12 months or more, ensuring that entrepreneurs receive consistent technical, emotional, and strategic support as their enterprises evolve. This approach involves periodic check-ins, joint problem-solving, and flexible goal-setting to respond to changing business realities and personal circumstances. This helps to mitigate post-startup drop-off, strengthen resilience, and reinforce both business viability and social integration outcomes.

Perception mismatch. Entrepreneurs' focus is often on immediate, practical problems: "I need money, I am raising a child", "how exactly to organize business processes", or "how to find German clientele". They are driven by urgent needs and seek concrete solutions.

Some providers explicitly integrate personal development and mindfulness or aim to build "self-es-

teem". However, the ability to provide comprehensive, integrated support (incl. psychosocial support) is limited by organizational mandates or funding structures. This creates a perception mismatch where providers understand the deeper, underlying issues, but their capacity to address them fully is constrained. Furthermore, some German providers note that entrepreneurs often have "unrealistic expectations" regarding the speed of income generation, indicating a gap in understanding the realities of the market.

Table 5 presents the difference between what BDS providers perceive as the primary needs of refugee entrepreneurs (supply) and the specific support the entrepreneurs actually requested (demand).

Table 5. Providers' Perceptions of Needs vs. Entrepreneurs' Own Views

Need/topic	Providers' perception (supply side)	Refugees' own views (demand side)	Gap & missed opportunity
Foundational Information	Standardized, general information on legal forms, grants, and basic tax filing. (Focus on "what" to do).	Need for clear, practical guidance on "how" to navigate bureaucracy and "who to call" for help. Desire for information on pros and cons of different business forms (e.g., juridical vs. physical persons).	Providers deliver theory (standard answers) while entrepreneurs require actionable tools and personalized guidance, leading to standard answers being perceived as "useless."
Market & strategy	Awareness of the need for market knowledge and networking events.	Urgent need for "a marketing survey, to find the target audience," detailed analysis of the niche, and identification of local ad channels that "would work for the local community."	The need is not just for general market awareness, but for high-value, specialized market research and B2B/B2C strategy that refugees cannot afford to buy privately.
Financial management	Awareness of the need for basic accounting and the calculation of a business plan.	Need support to "calculate the financial model" – specifically, how to convert a great idea into guaranteed profit (e.g., "how will you turn it into the profit?").	Providers focus on basic compliance, but entrepreneurs lack the high-level financial planning skills needed to impress investors and ensure scalability beyond the initial idea.
Scaling & human resources	Limited mention of advanced HR/scaling, often due to focus on pre-launch and start-up phases.	Strong need for guidance on managing employees, viewing them as a "burden" due to different mentalities and complex legal frameworks. Need for information on "Top 5 problems with hiring in Poland" and when to use B2B hiring models.	Critical assistance needed for the biggest barrier to growth (hiring and HR legal complexity) is often missing or delayed until the issue becomes a crisis for the scaling entrepreneur.
Quality of support	Providers emphasize their use of flexible methods and tailored projects.	Frustration with hearing "the same standard answers" and a strong call for "individual approach" and consultation from professionals (e.g., a good consultant in an hour can choose a tax bracket).	Entrepreneurs (often with 10+ years of experience) expect high-level, individualized advice, but instead receive template-based support that devalues their existing professional expertise.
Skill specificity & application	Fundamental approach offering business planning and (digital) marketing basics; emphasis on "systemic knowledge."	Need for training in specific skills like e-commerce algorithms, digital marketing tactics, and immediate tax optimization strategies for business launch.	BDS content often lacks the granular, immediately applicable detail needed to navigate specific host country e-commerce/tax environments, resulting in generic advice that is difficult to implement.
Support duration & intensity	Programs are frequently time-bound and project-based; providers acknowledge "two-week programmes do not work well."	Strong desire for ongoing, on-demand, and highly individualized support, often requesting a "personal coach or consultant who accompanies him/her for approximately two years."	Project-based funding structures restrict support to short terms, leading to a fundamental mismatch with the client's complex, long-term needs for "continuous support" throughout their entrepreneurial journey.
Post-launch ecosystem	Providers acknowledge that "after the foundation, there is no more support because it is not paid."	Entrepreneurs consistently face scaling challenges, difficulties with hiring, and advanced financial needs after the initial startup phase is complete.	A significant systemic failure due to critically underfunded post-startup support and the lack of a support ecosystem for long-term guidance, increasing the risk of failure for growing businesses.
Speed & path	Focus on holistic competence development, mindset shifts, cross-cultural integration, and addressing underlying trauma/ low confidence.	Entrepreneurs prioritize urgent, tangible needs: "I need money," "how exactly to organize business processes," or "how to find German clientele."	Providers understand the deeper issues (trauma, confidence, cultural integration) but are constrained in delivering comprehensive, integrated PSS, while entrepreneurs simply want immediate, concrete business solutions.

Key Findings

Ukrainian entrepreneurs are driven by a strong desire for autonomy and financial stability, often viewing self-employment as a vital path to integration. However, they face significant barriers, including pervasive language issues, complex bureaucratic processes (banking, legal, tax), and differences in approaches and culture of doing business. A fear of financial precarity and the psychological burden of displacement further complicate their journey. The diverse BDS ecosystem is often constrained by limited funding, insufficient staffing, and fragmented information. Core disconnects include a critical gap in accessible micro-grants and tailored financial instruments, a lack of comprehensive and long-term mentorship, and an insufficient integration of culturally sensitive communication and psychosocial support that addresses trauma. There is a constant need for practical, step-by-step guidance, which is often unmet by overly theoretical or short-term programs that are disconnected from each other. The findings underscore a critical and frequently overlooked need for integrated, comprehensive programs that include not just business training but also psychosocial support and cultural cohesion. Furthermore, networking opportunities that connect new entrepreneurs with experienced business owners in the local market are identified as a highly effective and sought-after form of support.

Chapter 3.

Exploring the Social Innovation Model

This chapter analyzes and categorizes the primary challenges into a structured framework (structural, legal, cultural, psychosocial) that defines distinct entrepreneur profiles. A textual and thematic analysis of case studies of Social Innovation served to identify overarching themes and extract replicable key success factors and best practices for supporting refugee entrepreneurship. This approach is tailored to the specific context of Germany and Poland and provides guidance and support in BDS, cultural cohesion, and PSS. As a result, a descriptive analysis is formulated, which informs further steps in identifying specific Ukrainian refugees' profiles for the provision of Business Development Support.

3.1. Deconstructing the Challenges: A Thematic Framework

The journey of a Ukrainian refugee entrepreneur in Germany and Poland is abounded with a complex and interconnected set of barriers. These barriers are not primarily rooted in individual lack of skills or capabilities but in systemic frictions, infrastructure gaps, and the profound psychological problems caused by war and displacement.

A thematic analysis of the FGDs and KIIs reveals that challenges identified and described in Chapter 2 can be systematically organized into the following three overarching domains: 1) **structural and legal**; 2) **cultural and market**; 3) **psychosocial and personal**. Understanding these categories and their interplay is fundamental to designing effective interventions.

Structural & legal barriers

Structural and legal barriers are the most significant obstacles for Ukrainian refugee entrepreneurs, affecting business establishment and operations. These challenges are institutional, regulatory, and largely beyond their control.

Access to finance and restrictive banking policies: Entrepreneurs report systemic challenges in opening business bank accounts, often facing rejection due to their residency status, the use of a virtual office address, or simply because they are Ukrainian. Access to finance emerges as a critical challenge that stems from restrictive banking policies, a lack of credit history in host countries, and insufficient collateral or guarantors. This fundamental barrier chokes businesses before they can even begin, blocking cash flow and preventing formal registration.

Legal and bureaucratic complexity: Complex tax laws and regulatory frameworks create additional barriers, particularly for entrepreneurs unfamiliar with European business legislation and law enforcement practices. There is a pervasive lack of understanding of, and a palpable fear associated with, the German and Polish tax and legal systems. This is not merely an information gap but a significant psychological obstacle. The comparison reveals a critical divergence between two countries: Germany's primary barrier is entry, while Poland's is navigation and scaling.

Residency uncertainties: The precariousness of legal status, often tied to temporary protection directives or short-term residence permits, severely impedes long-term business planning. This uncertainty makes it nearly impossible to secure loans, sign long-term leases, or make strategic investments, trapping entrepreneurs in a state of perpetual short-term thinking.

Non-recognition of professional qualifications: This systemic issue often blocks access to regulated professions and pushes highly skilled individuals into self-employment as their only viable option to utilize their expertise. However, on the entrepreneurial path, non-recognition of professional qualifications reduces credibility with potential clients or partners, as well as complicates obtaining business licenses and certificates.

Cultural & market barriers

Ukrainian entrepreneurs often struggle with local business etiquette, networking norms, and relationship-building practices that differ significantly from their home country experiences. These challenges relate to the unwritten rules, norms, and knowledge required to operate successfully within a new market.

Market knowledge and consumer behaviour gaps: Entrepreneurs frequently underestimate the differences in local markets. Understanding consumer behaviour patterns, preferences, and purchasing decisions requires deep cultural insight that goes beyond language proficiency.[24] Competition analysis becomes complex when market structures, competitive strategies, and customer relationships operate.

Business etiquette and work culture: Significant differences in professional norms, communication styles, decision-making processes, and business hierarchy between Ukrainian and host country cultures create friction.[25] This requires an adaptation of communication styles and project management practices.

Networking norms and social capital: Entrepreneurs often have difficulties building professional networks outside of their diaspora community. They report a heavy reliance on friends, acquaintances, and pre-existing communities from their home country. While these networks provide crucial initial support, they can also limit access to the host country market, suppliers, and partners, thereby constraining growth.[26]

Professional language nuances: Language nuances present ongoing challenges, particularly in technical or professional communications, contract negotiations, and customer relationship management. Moving beyond conversational fluency to mastering the specific terminology and nuances of professional business language is a major hurdle. This affects most business processes, from negotiating contracts and marketing to clients to communicating with accountants and government officials.

Psychosocial & personal barriers

These barriers reflect the emotional, psychological, and personal challenges stemming from displacement trauma and adaptation stress. Per se, the entrepreneurial journey is psychologically demanding under any circumstances; for refugees, it is layered with the profound complexities of trauma, displacement, and adaptation. Managing them while launching new ventures creates a significant psychological burden, particularly for entrepreneurs who face the loss of status, networks, and familiar environments.[27] These mental health challenges, stemming from exposure to war, loss, and the stressors of migration, can be a major impediment to economic activity and overall well-being. The stress manifests in a greater tendency to express vulnerability during coaching sessions compared to local entrepreneurs. These observations confirm that psychosocial support cannot be an afterthought. It must be a foundational pillar of any effective BDS package for this population.

Managing trauma and stress: The lasting psychological consequences of war, forced displacement, and ongoing worries for family in Ukraine form an enduring context shaping the entrepreneurial journey. Such pressures can hinder learning and business development, depleting the cognitive and emotional capacities required for entrepreneurial resilience.[28]

Building confidence and overcoming fear: The combination of being in a new country, navigating an unfamiliar system, and facing the high stakes of starting a business creates a climate of low confidence and fear of failure.[29] This can affect decision-making, risk tolerance, and long-term planning capabilities essential for successful entrepreneurship and is particularly acute in the early stages, where entrepreneurs are afraid of doing something wrong in a system perceived as unforgiving.[30]

Work-life balance and caregiving responsibilities: The challenge of managing entrepreneurial demands alongside family duties is substantial and disproportionately impacts women.[31] Many Ukrainian women arrived in host countries with their children but without their partners, making them the sole caregivers. This logistical and emotional burden significantly limits the time and energy they can dedicate to their businesses. In addition, many entrepreneurs, regardless of gender, struggle to maintain family stability while investing time and energy in business development, creating additional stress and limiting growth potential.[32]

The analysis of these challenges reveals that they are deeply interconnected. A structural barrier like an uncertain legal status, directly fuels a psychosocial barrier, like chronic stress. This stress, in turn, erodes the confidence needed to overcome cultural barriers like engaging in networking with the host community. This leads to a reliance on closed, co-national networks, which limits access to crucial

24 *Matricano, D., & Sorrentino, M. (2014). Ukrainian entrepreneurship in Italy: factors influencing the creation of ethnic ventures. Journal of Innovation and Entrepreneurship, 3(1), 10.*

25 *Wackowski, K., & Blyznyuk, T. (2017). Modern Ukrainian and Polish business cultures: G. Hofstede's classification. Economic annals-XXI, (165), 71-74.*

26 *Gaweł, A., & Marcinkowski, B. (2025). Transforming into formal entrepreneurs: the path of Ukrainian immigrants in Poland. Journal of Entrepreneurship in Emerging Economies, 17(7), 51-72.*

27 *Klyver, K., Steffens, P., & Honig, B. (2022). Psychological factors explaining Ukrainian refugee entrepreneurs' venture idea novelty. Journal of Business Venturing Insights, 18, e00348.*

28 *Ibid.*

29 *Ibid.*

30 *Gaweł, A., & Marcinkowski, B. (2025). Transforming into formal entrepreneurs: the path of Ukrainian immigrants in Poland. Journal of Entrepreneurship in Emerging Economies, 17(7), 51-72.*

31 *Stroiko, T., Iglesias-Sanchez, P. P., Jambrino-Maldonado, C., Fernández-Díaz, E., & de las Heras-Pedrosa, C. (2024). Ukrainian Women's Entrepreneurship and Business Ecosystem during the War: New Challenges for Development. Sustainability, 16(9), 3829.*

32 *Nziku, D. M., & Bikorimana, C. (2024). Forcibly displaced refugee women entrepreneurs in Glasgow-Scotland. Journal of Enterprising Communities: People and Places in the Global Economy, 18(4), 820-844.*

local market knowledge. This lack of knowledge and social capital increases the risk of business failure, thereby reinforcing the initial fear and stress. This vicious cycle demonstrates that an effective intervention cannot focus on certain separated challenges.

3.2. Ukrainian Entrepreneur Profiles

Based on a descriptive analysis of qualitative data from FGDs and KIIs, the study identifies three predominant archetypes of Ukrainian entrepreneurs. Each archetype reflects a distinct combination of strengths, weaknesses, and support needs, categorized according to three key differentiating characteristics:

- the nature and extent of prior business or professional experience in Ukraine;
- primary motivation for self-employment in the host country;
- type and stage of the business venture being launched.

These archetypes are not intended to be rigid but serve as analytical tools to reflect the heterogeneous nature of the Ukrainian entrepreneurial community and to inform the design of differentiated support strategies. While other categories (e.g., social, care-linked, ethnic, or transnational entrepreneurs) provide nuance, they ultimately fall within one of these two overarching groups, depending on their underlying motivation and context.

The profiles were further refined and triangulated with the observations of experienced BDS providers interviewed for this study, who consistently noted different types of founders among their clientele.

Profile A: The "Replicator" – rebuilding established expertise

The "Replicator" is an entrepreneur with significant, long-standing entrepreneurial experience in Ukraine. These individuals are not starting from scratch but are seeking to restart or replicate a venture like the one they previously operated. Their businesses often span sectors such as technology (e.g., application development), professional services (e.g., accounting), manufacturing (clothing production), and beauty services. They typically possess strong business acumen, may have existing teams or client networks, and are highly motivated by economic factors. Their goal is often to integrate into a more stable European market, driven by statements such as, "Ukrainian market even before the war was too small for us, and now we need new markets." Although they have clear visions for their businesses based on successful Ukrainian models, they may underestimate the complexity of cultural and regulatory adaptation. Their primary challenge lies not in understanding business fundamentals but in adapting to local market conditions, regulatory requirements, consumer behaviours, competitive landscapes, and distribution channels. Additionally, their previous success can sometimes create resistance to adapting business models to local contexts. Replicators view self-employment as the natural continuation of their professional identity and a logical pathway to economic stability and growth in their new context.

Profile B: The "Pivoter" – translating professional skills

Pivoters are skilled professionals (engineers, marketers, teachers, healthcare workers) who adapt their expertise into new service-based business ventures. This profile includes individuals with strong educational and career backgrounds who find that their formal qualifications are not easily recognized or that salaried employment opportunities are unsatisfactory. Their motivation is a mix of necessity and opportunity. As one participant who began a tutoring business explained, she was driven to self-employment after "seeing the salaries and the rent" but was also motivated by "a desire to utilize her knowledge fully". Pivoters possess deep technical or subject-matter expertise and problem-solving abilities but may lack direct entrepreneurial experience, such as fundraising, business planning, marketing, or financial management. Pivoters face unique challenges in translating professional expertise into viable business models and require significant support in business development fundamentals.

Profile C: The "Innovator" – pursuing new opportunities

The Innovator is an entrepreneur who launches a novel business idea or a technology-based, creative, cultural, or social venture, often inspired by their displacement experience or gaps they identify in the host country and international markets. This profile often includes younger entrepreneurs or those from high-tech or creative industries who see displacement as an opportunity for reinvention. Unlike the Replicators, their venture is not a continuation of a past business. Instead, it is born from a new observation of a market gap or insights on a social need in their new environment (e.g. diaspora community). Such entrepreneurs are characterized by a high degree of adaptability and opportunity recognition, but Innovators may have limited business experience. Their challenges include converting ideas into viable business models, accessing startup capital, and building credibility in new markets. Therefore, Innovators may require the most foundational support and market validation guidance, as they are often building a business concept, a customer base, and a professional network from the ground up.

3.3. Differentiated Needs Across Profiles

The three profiles require distinct support approaches across BDS, PSS, and cultural cohesion dimensions. This heterogeneity demonstrates the inadequacy of a one-size-fits-all and unified curricula. A significant inconsistency often exists between the perceived needs expressed by the entrepreneurs and the actual needs identified by experienced support providers.

This analysis reveals that an effective support model must be diagnostic. It cannot simply respond to the "felt needs" that entrepreneurs articulate but must be structured to guide them toward addressing the deeper, strategic challenges they may not yet recognize. Table 6 summarizes these differentiated needs, providing the evidence base for the tiered support model proposed later in this report.

Table 6. Differentiated Support Needs by Entrepreneur Profile

Profile	Primary motivation	Key strengths	Core BDS needs	Core PSS needs	Core cultural cohesion needs	Policy support / advocacy strategy
A: The Replicator	Economic stability, market scaling, professional continuity	Strong business acumen, existing teams/ networks, industry experience	Advanced marketing, scaling strategies, local supply chain integration, adaptation to local consumer behaviour, e-commerce	Managing stress of high-stakes scaling in a new environment, leadership coaching for multicultural teams	Access to high-level local industry networks, mentorship from established local entrepreneurs, legal/tax advisory referrals	Advocacy for simplified entry: streamlined, multi-lingual business registration; recognition of foreign licenses and business records, inclusion in basic national SME financial schemes.
B: The Pivoter	Self-realization due to blocked professional paths	Deep technical/ professional expertise, adaptability	Business planning fundamentals, marketing and branding for a new venture, financial modelling and literacy, pricing strategies	Building entrepreneurial confidence, balancing professional identity with new venture demands	Networking opportunities outside their immediate professional field, peer support from others making a similar transition	Advocacy for market integration & stability: vouchers for subsidized legal/accounting compliance. policy requiring low-barrier, collateral-flexible bank loan products.
C: The Innovator (incl. Social Entrepreneurs)	Opportunity recognition, creative expression, filling a market niche, solving social problems	High creativity, adaptability, fresh market perspective	Foundational business support (idea validation, planning, legal setup), digital skills, access to seed funding information	Support for managing the uncertainty of a novel venture, building resilience against setbacks	Broad network access to build social capital, mentorship on launching a new concept, connections to creative/cultural communities and NGOs	Advocacy for high-growth & ecosystem access: tax incentives for domestic VC and angels' investment in refugee-led startups; subsidized inclusion in national/regional R&D and technology incubators; policy to facilitate smooth relocation of key international personnel.

3.4. Social Innovation in Practice: A Thematic Analysis of Case Studies

This section serves as a foundational component moving beyond theoretical design to a practical, evidence-based framework for Opportunity Self-Employment model development. To identify what constitutes effective support for refugee entrepreneurs, this section draws on a textual and thematic analysis of best-practice cases, along with KIIs conducted with senior representatives of selected BDS in Germany and Poland. It is grounded on the premise that refugee entrepreneurs need integrated PSS across all stages of business development to secure business growth and longevity. In this regard, the section discusses successful social innovation initiatives in refugee-oriented PSS to boost self-employment.
The analysis is based on and incorporates critical insights derived from the Social Innovation Match (SIM) platform[33] and the International Rescue Committee (IRC)'s operational experience. The analysis focused on identifying recurring themes, core principles, and scalable practices in their support models. The goal was to extract a set of evidence-based best practices that can inform the design of a more effective, adapted framework for Ukrainian entrepreneurs.

The following Table 7 provides a high-level overview, summarizing the thematic alignment of selected case studies with the Social Innovation Model.

Table 7. Thematic Alignment of Social Innovation Cases with the Opportunity Self-Employment Model

Model Principle	Relevant SIM Case/IRC Program	Key Contribution
Theme 1: Integrated Support Ecosystems	Gateway to Tomorrow, It's Ability!	Explicitly rejects a narrow focus on business development alone, demonstrating the success of combining PSS, legal guidance, and BDS within unified frameworks.
Theme 2: Centrality of Mentorship & Peer Networks	CARE Project, IRC Poland, Resilient Futures, START / My Turn	Shifts from top-down training to active facilitation of networks that serve as a source of emotional support, practical knowledge transfer, and social capital.
Theme 3: Adaptive Learning	W.E.B. in Tech, IRC	Rejects rigid, "one-size-fits-all" curricula, opting for flexible, person-centred, and phased models that adapt to the non-linear journey of refugee entrepreneurs.
Theme 4: Continuous Support & Long-Term Engagement	IRC, Resilient Futures	Offer sustained support that includes continuous mentoring, monitoring, and adaptation to evolving needs.
Theme 5: Cultural Cohesion	Skills Centre for Foreigners, IRC	Integrates cultural competence and empathy into service delivery to build trust, bridge cultural divides, and promote genuine integration between refugees and host communities.
Theme 6: Gender and Inclusion	W.E.B. in Tech, New Chances in the Labour Market, IRC, START / My Turn	Addresses the diverse and specific needs of vulnerable groups, particularly women, mothers, and caregivers, to ensure equitable access and participation in entrepreneurial programs.

33 *European Social Fund Plus, Social Innovation Match, https://european-social-fund-plus.ec.europa.eu/en/social-innovation-match*

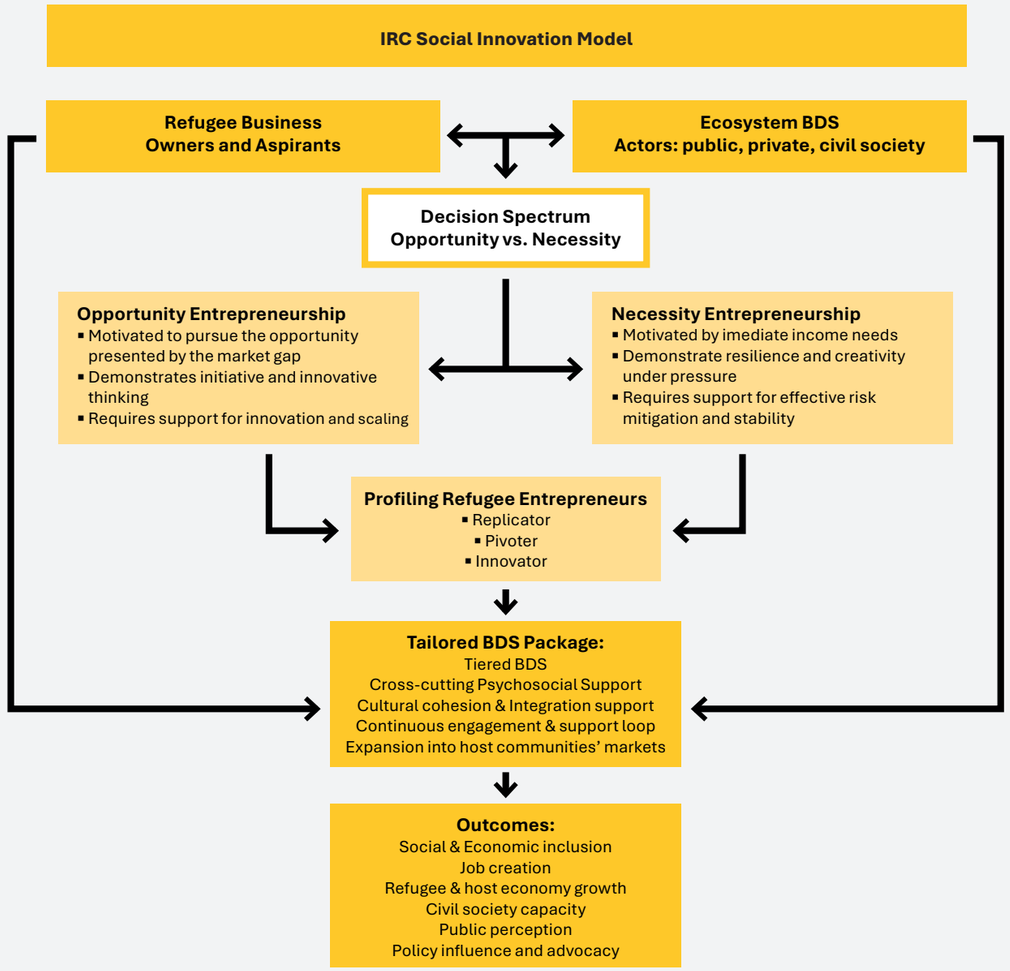
3.5. Adapted Social Innovation Model – Opportunity Self-Employment Model

The IRC Social Innovation Model (SIM) seeks to redefine refugee economic integration by moving beyond traditional, fragmented aid approaches toward a holistic, human-centred ecosystem.

The adapted model is built on two core theoretical underpinnings: Social Innovation theory and Opportunity Self-Employment. Social innovation is defined as the development of new solutions that are more effective, efficient, and sustainable than existing approaches, with a focus on creating benefits for society. Within this framework, refugee entrepreneurship emerges not merely as an economic activity but as a potent form of Social Innovation. It empowers displaced individuals to become agents of their own integration, creating economic stability, generating employment for both refugees and host community members, and fostering social cohesion. This process transforms the workplace and marketplace into primary venues for cultural exchange and network formation, thereby reducing reliance on state support.

The proposed Opportunity Self-Employment model (Figure 1) is a direct, evidence-based response to the systemic failures identified in the preceding research. It reflects the key characteristics that encompass the overarching themes identified.

Figure 1. Opportunity Self-Employment Model



Key Elements of the Opportunity Self-Employment Model

IRC Social Innovation Model: The SIM was developed as a direct, evidence-based response to the systemic gaps highlighted in prior research and reinforced by global best practices. At its core, the model brings together key principles that reflect the broader themes identified throughout the analysis.

1. Refugee Business Owners and Aspirants. The SIM starts with refugee entrepreneurs and aspirants, recognizing that their decision to pursue entrepreneurship is the starting point for everything that follows. It uses a human-centred approach, stressing that business development support works best when built through direct collaboration not by making choices for the entrepreneur. The model highlights the importance of giving business owners the power to choose their own path and, together with BDS actors, explore tiered support options to help build successful businesses.

2. Ecosystem BDS actors: The Opportunity Self-Employment model addresses the challenge of the "fragmented nature" of the existing BDS landscape by distinguishing between the roles of *public sector actors* (e.g., government labour offices), *private sector partners* (e.g., banks, chambers), and *CSOs* (incl. NGOs, migrant-led organisations). This strategic approach creates a blueprint for a coordinated referral system, ensuring entrepreneurs receive the right support from the right source.

3. "Decision gate": A crucial, often-missing component in many traditional support models is a strategic screening mechanism to differentiate between various entrepreneurial motivations. The Opportunity Self-Employment model introduces a strategic "decision gate" – ***decision spectrum***, to differentiate between necessity-driven and opportunity-driven entrepreneurs. While this may appear to be a purely economic filter, its deeper implication is a responsible, ethical, and humanitarian approach to resource allocation. By focusing support on beneficiaries with a higher potential for sustainable growth and innovation, the Opportunity Self-Employment model ensures that its finite resources are utilized where they can generate the greatest long-term impact. At the same time, the model seeks to provide tiered business development support to all refugee entrepreneurs, while actively involving them in the decision-making process. This approach also has a significant humanitarian benefit: it prevents a mismatch of services and allows the program to refer necessity-driven cases to more appropriate support mechanisms, thereby ensuring that the most vulnerable populations receive the specific aid they need, even if the support extends into non-business areas.

This *spectrum* is not designed to exclude, but rather to optimize and responsibly allocate resources. At this stage, necessity-driven entrepreneurs may also begin to shape and refine their entrepreneurial profiles. While the connection between necessity entrepreneurship and profiling refugee entrepreneurs is not immediate, there is potential for growth over time. With the adjusted business development support, refugee entrepreneurs who initially start businesses out of necessity can gradually shift toward opportunity-driven ventures.

4. Profiling entrepreneurs: The Opportunity Self-Employment model is person-centred, explicitly rejecting a standardized curriculum in favour of a diagnostic approach that tailors support to the distinct profiles of entrepreneurs. This directly addresses the research finding that a single curriculum cannot meet the needs of a heterogeneous group of founders who range from experienced "Replicators" to novice "Innovators". The research confirms that the motivations for Ukrainian entrepreneurs are a dual blend of "necessity" and "opportunity" (desire for self-realization and to use their skills to the full). Moreover, both entrepreneurial motivation and the type and stage of entrepreneurship evolve over time, which requires a dynamic and adaptive approach to profiling.

5. Tailored BDS package: The Opportunity Self-Employment model is an integrated approach that weaves together BDS, cultural cohesion interventions, psychosocial support (PSS), and continuous engagement. These elements form a unified support loop, which alongside expansion into host community markets are inseparable and mutually reinforcing. This integrated approach is designed to overcome the critical content and methodology mismatches as well as post-launch support gaps identified in the existing support ecosystem.

The model is based on the understanding that business development support inherently includes psychosocial support, recognizing their combined impact as essential to sustainable entrepreneurial growth.

The IRC SIM recognizes that entrepreneurial success is a non-linear, long-term journey that cannot be achieved through short-term interventions. In this regard, the Opportunity Self-Employment model emphasizes the importance of *continuous engagement and support loop* (continuous and sustained mentorship, feedback, monitoring & evaluation, and learning loops, etc.) for long-term success and advocates for sustained engagement that supports entrepreneurs from the pre-start-up phase through the challenges of growth and scaling. This counters the problem of short-term, project-based funding, which was identified as a major systemic flaw in the current support landscape.

6. Systemic outcomes: In the Opportunity Self-Employment model, the outcomes are not limited to individual results, such as job creation or business launch, but capture systemic change. This includes policy influence, institutional adaptation, strengthening civil society capacity, and broader advocacy agendas. This elevates the model's ambition from a local intervention to a driver of policy-level change. By systematically collecting data and generating case studies from its programming, the model can inform and influence the broader institutional environment for refugee entrepreneurship, including public perception of this phenomenon. This ensures that the program's impact is not only felt by individual beneficiaries but also contributes to a more supportive and equitable system for all displaced populations in the future.

Key Findings

The Ukrainian refugee entrepreneur's cohort, with its unique combination of high human capital and profound displacement-related trauma, requires a specialized, integrated, and long-term support model. This study has analytically deconstructed the complex landscape of Ukrainian refugee entrepreneurship in Germany and Poland. The analysis demonstrates conclusively that a generic, one-size-fits-all approach to support is destined for mediocrity and failure. The Opportunity Self-Employment framework is tailored to the different profiles of entrepreneurs acknowledging that any support or service must be designed to address the complex mix of structural, cultural, and psychosocial barriers they face.

The proposed adapted SIM provides an evidence-based framework for such an intervention. Its strength lies not in rigid prescription, but in its principled design: it is person-centred, holistic, long-term, community-led, and synthesizes the experiences of entrepreneurs and the experience of successful service providers into a practical blueprint for action.

All elements of the Opportunity Self-Employment model are closely connected and work in harmony, with refugee entrepreneurs placed first, recognizing that their initiative is the starting point for everything that follows. The SIM prioritizes the psychosocial well-being and confidence of refugee entrepreneurs as a foundation for long-term success. This approach ensures that business development support is not just transactional but genuinely transformative.

Moving forward, the successful implementation of this model depends on a concerted effort from policymakers, funders, and CSOs.

Chapter 4.
Guidance report

This chapter provides practical, evidence-based guidance for key stakeholders, as such BDS providers, policymakers, civil society organizations, and the private sector, by translating analytical insights into a prescriptive implementation framework. The report outlines modular strategies for applying the Social Innovation Model, which integrates psychosocial support (PSS) with business development services (BDS) to foster sustainable refugee entrepreneurship. Framed around the needs of self-employed refugees in Poland and Germany, it promotes cross-sector collaboration, strengthens civil society's capacity to act, and encourages innovative local solutions for inclusive economic empowerment.

4.1. A Tailored Support Package: The Opportunity Self-Employment Model in Practice

The support package for refugee entrepreneurs is structured into three interwoven, and not consecutive, modules. Each of them is designed as a practical blueprint to address specific challenges and cater to the distinct needs of the three entrepreneur profiles.

Module A: Business Development Support
This component directly operationalizes the person-centred principle by providing differentiated support based on the entrepreneur's profile, accounting for motivation, nature and extent of prior experience, as well as stage of business venture development.

Tier 1 (Foundations).
This tier is specifically designed for Pivoters and Innovators who, despite their deep professional expertise or innovative ideas, often lack foundational business skills. This research found that their primary need is for "practical help, not just theory," and "concrete explanations" on how to build a business from the ground up. This tier should focus on:

Idea validation and business planning fundamentals: The objective is to help entrepreneurs translate a professional skill or a novel idea into a viable, documented business plan or a social initiative. Activities include hands-on workshops using tools like the Business Model Canvas, sessions on financial modelling, peer feedback sessions, and core one-on-one coaching and/or sector-specific mentoring.

Market analysis & digital skills labs: The objective is to provide actionable guidance beyond generic advice. Activities include workshops focused on "how-to" knowledge for finding and assessing local clientele and/or identifying niches for social entrepreneurship. Also, practical sessions on using AI and digital tools for market research and setting up e-commerce platforms will directly address the demand for knowledge on digital algorithms and tools for cheap idea validation.

Legal setup & financial literacy: The objective is to empower entrepreneurs to overcome the fear of "doing something wrong" in a system they perceive as punitive. It will include step-by-step sessions on navigating local bureaucracy, such as a "mock-up" form-filling session and a seminar on tax basics focused on key differences from Ukrainian systems.

Funding fundamentals: The objective is to demystify the initial funding process and review available sector-specific funding opportunities. This will include practical, hands-on workshops on attracting initial accessible funding (micro-grants and seed capital), creating compelling crowdfunding campaigns for social ventures to help entrepreneurs get started. These efforts will be combined with pitching and networking workshops, including a "mock-up" demo day, to help participants build the confidence and skills they need to effectively articulate their business idea and prepare for future fundraising opportunities.

Tier 2 (Growth & Scaling).
This tier is tailored for Replicators and successful graduates of Tier 1 who are ready to expand their operations. It directly addresses the critical gap in post-launch support that was consistently identified as a systemic failure in the current ecosystem.

Hiring the first employees: This session addresses a key post-launch challenge by providing practical knowledge on navigating local labour laws, different contract types, and best practices for managing multicultural teams. Research found entrepreneurs discussed the "burden" of employees due to different mentalities, as well as the need for information on how to hire employees, which business models require them, and what types of contracts to use.

Advanced digital marketing & E-commerce: The topic focuses on local customer acquisition and includes local-specific knowledge of advertisement and e-commerce platforms and tools.

Sales Strategies: The element focuses on helping entrepreneurs attract and convert local customers through effective sales funnels, targeted outreach, and culturally adapted techniques. It includes practical examples and case studies from similar ventures to illustrate successful approaches.

Accessing growth capital: This component addresses the pervasive financial access barriers and the lack of funding for growth and includes an in-depth, hands-on workshops on creating a compelling and data-driven **pitch deck**. It also provides a comprehensive guide on applying for **loans, grants, and other non-traditional funding instruments**, with a special focus on the unique opportunities available to social entrepreneurs. The objective is to equip entrepreneurs with the tools to confidently pitch their businesses to investors and successfully apply for the funding needed to scale their operations.

Module B: Integrated Psychosocial Support (PSS) – Building Resilience
As revealed from KIIs and FGDs, the psychosocial burden of trauma, chronic stress, and isolation is a critical barrier to entrepreneurial success, often hidden beneath more visible challenges. PSS is therefore not an optional add-on but a foundational pillar of the model. Best-practice Social Innovation models demonstrate that PSS needs to be fully integrated into all facets of business development support. This approach ensures entrepreneurs receive holistic assistance that addresses not only business challenges but also their personal well-being. At the individual level, this can involve establishing referral pathways to connect participants with essential services like mental health support, trauma counselling or social work assistance. One-on-one mentoring and coaching by trained staff or peer mentors can help individuals navigate both entrepreneurial and psychosocial hurdles. Life skills and women's empowerment training can be integrated to build soft skills like problem-solving, goal-setting, and self-efficacy that are prerequisites for an entrepreneurial journey.

This integrated module directly operationalizes PSS as a foundational pillar, which provides tailored support for specific, vulnerable demographics such as Ukrainian refugees and encompasses several key components.

Resilience workshops: This component provides practical guidance for managing the emotional and psychological challenges of entrepreneurship. Workshops will be led by trained professionals and focus on topics such as managing the "big unknown" of legal status, overcoming the fear of failure, and maintaining work-life balance, especially for caregivers. The sessions will use practical exercises like mindfulness and group discussions to foster a shared understanding and build coping strategies.

Peer support framework: This component establishes a structured, professionally led peer support system to combat isolation and create a safe space for entrepreneurs. While many entrepreneurs rely on informal networks from their hometowns, this framework creates a formal system to share experiences and build emotional resilience in the host country.

Referral pathways: Given that BDS providers acknowledge that specialized trauma support is outside their direct mandate, this component establishes clear, low-barrier referral protocols. This ensures participants who require more specialized support are seamlessly connected with professional mental health services, providing a critical safety net.

Module C: Cultural Cohesion & Networking – Building Bridges
This module is designed to systematically dismantle the cultural, market, and social capital barriers identified in the research. It provides strategic, hands-on support to help entrepreneurs integrate into the local business ecosystem.

Tandem mentorship: This component focuses on establishing a two-way partnership where an experienced local business owner is paired with a refugee entrepreneur. The objective is to facilitate knowledge transfer, build social capital, and foster a deeper understanding of the local market, helping the refugee entrepreneur gain credibility and build connections beyond their diaspora. The process includes carefully matching mentors and mentees based on industry and goals.

Networking events: Recognizing that commercial networking is often too expensive for nascent entrepreneurs, this component provides a range of free, actively facilitated networking events. The objective is to intentionally bridge community divides and provide access to crucial professional contacts and market knowledge.

The following Table 8 provides a clear roadmap for this tailored approach, demonstrating how each component is designed to address specific needs and challenges for each entrepreneur profile.

Table 8. Adapted BDS Package: Components and Target Interventions

Component	Specific intervention	Target profile(s)	Challenge(s) addressed
BD Tier 1: Foundations	Workshops on business orientation planning, financial literacy, legal setup, and digital skills.	"Pivoter," "Innovator"	Structural (bureaucratic complexity), Cultural (market knowledge gaps), Personal (low confidence in business skills)
BD Tier 2: Growth & Scaling	Workshops on advanced marketing, hiring, accessing capital, and e-commerce.	"Replicator," Tier 1 Graduates	Structural (access to finance), Cultural (market adaptation), Personal (stress of scaling)
Psychosocial & Community Support (PSS)	Resilience workshops, facilitated peer support groups, mental health referrals.	All Profiles	Psychosocial & Personal (trauma, stress, isolation, low confidence)
Cultural Cohesion & Integration	Tandem mentorship program with local entrepreneurs.	All (esp. "Replicator" for industry access, "Innovator" for network building)	Cultural & Market (networking norms, market knowledge gaps), Psychosocial (low confidence)
	Workshops on local business culture and consumer behaviour.	All (esp. "Replicator" and "Pivoter")	Cultural & Market (business etiquette, consumer behaviour gaps)
	Joint networking events with local business communities.	All Profiles	Cultural & Market (limited social capital, market access), Psychosocial (isolation)

Challenges in delivery and the BDS package

Effective implementation of the support package is hindered by several systemic and operational challenges that must be addressed.
A primary concern is the instability of short-term, project-based funding, which makes it difficult to maintain program continuity and build long-term relationships with entrepreneurs and ecosystem actors.

Furthermore, BDS providers often have limited capacity to combine business expertise with psychosocial support and cultural cohesion initiatives, creating a gap between addressing entrepreneurial needs and the underlying personal and emotional barriers that require a simultaneous and continuous development of the ecosystem. The ecosystem itself is fragmented, making collaboration between different service providers difficult.

Lastly, a significant challenge lies in convincing political leaders of the critical need for specialized support for opportunity refugee entrepreneurs. The intersectional dimension, especially the distinct challenges encountered by refugee women entrepreneurs, must be continuously emphasized and addressed, for instance, through the provision of childcare services and the establishment of safe spaces for women's mentorship groups.

Necessary support for implementation
To overcome these challenges and ensure the model's success, a multi-faceted approach to support is required.

First, securing stable, multi-year funding is essential to allow for long-term engagement and sustainable program development. Reliable funding helps programs stay consistent over time. It allows organizations to build lasting relationships with communities, respond to changing business-growth needs, and create results that have a long-term impact.

The proposed Opportunity Self-Employment model also requires stronger, formalized partnerships with business associations and chambers of commerce to bridge the gap between refugee entrepreneurs and the established local business community.

Providing multilingual toolkits, templates, platforms, and a centralized resource hub will equip entrepreneurs with essential information to navigate business and support systems.

To improve collaboration and reduce fragmentation, it's necessary to enhance cooperation across sectors. This can be achieved by creating a dedicated multi-stakeholder working group or intersectoral coordination office on refugee entrepreneurship. Additionally, building formalized referral and information-sharing systems will ensure a smooth transition for entrepreneurs across various service providers.

Promoting public-private partnerships is crucial for making micro-loans and guarantees more accessible, thereby addressing a major financial barrier. These collaborations can also support the design of financial products that reflect the specific business-growth needs of refugee entrepreneurs, increasing their relevance, accessibility, and potential for long-term success.

Finally, organizing joint networking events such as hackathons or pitch days can connect refugee and local entrepreneurs, fostering mutual learning and collaboration. These events also help raise public awareness of the valuable contributions refugees make to local communities and the broader economy.

4.2. A Guide to Implementation by the Stakeholder Group

This section translates the theoretical and empirical findings of this report into a series of practical, action-oriented recommendations for BDS providers and other stakeholders. It is designed to serve as a user-friendly tool to facilitate the implementation of the Opportunity Self-Employment model, fostering cross-sector collaboration and advancing the collective agency of civil society.

The research demonstrates that isolated interventions, no matter how well-intentioned, are profoundly inefficient. Success for Ukrainian entrepreneurs is contingent upon a collaborative ecosystem where different actors work in concert to address the multifaceted barriers they face. The current landscape is characterized by fragmentation, with "no central database of available services," leading to information overload for entrepreneurs and a lack of effective referral pathways among providers. A BDS provider might successfully help an entrepreneur develop a business plan, but if that same entrepreneur is stymied by a restrictive banking policy or the psychological burden of trauma, the intervention ultimately fails. This illustrates a "vicious cycle" where barriers reinforce one another.

In this regard, a coordinated framework is therefore necessary to create a seamless client journey, ensuring that the right support is available at the right time. The following Table 9 summarizes the key high-level recommendations for each stakeholder group.

Table 9. Recommendations by Stakeholder Group

Stakeholder Group	Key Recommendations	Rationale (from research)
Public sector	Funding: Transition to flexible, multi-year institutional funding. Policy: Streamline bureaucratic hurdles for business registration and banking. Coordination: Mandate inter-agency working groups.	Short-term funding undermines effective methodologies; bureaucracy creates "closed loops"; siloed interventions are inefficient.
Private sector	Finance: Develop adapted risk assessment models and micro-loan products. Mentorship: Establish corporate pro-bono expertise programs. Market access: Create inclusive supply chain initiatives.	A critical gap exists in financial access; expertise and staffing shortages affect BDS providers; social capital and networking are critical barriers.
Civil society	Networking: Form a transnational consortium for knowledge sharing. Specialization: Develop specialized expertise within the network and strengthen referral pathways, address gender-specific challenges	The BDS ecosystem is fragmented with no central database; a "one-size-fits-all" approach is profoundly inadequate.

4.3 The Step-by-Step Guidance

The following guidance outlines a practical framework for implementing the Opportunity Self-Employment model and its accompanying Business Development Support (BDS) package. It is designed to ensure that services remain person-centred, well-integrated, and responsive to the specific needs of Ukrainian entrepreneurs, while also supporting the achievement of meaningful and measurable outcomes.

For BDS Providers:

Step 1: The diagnostic phase (Person-centred needs assessment)

Before delivering any curriculum, BDS providers should co-design the business development process with refugee entrepreneurs and aspiring business owners, ensuring that their unique profiles, experiences, and goals shape the content and delivery of support services.

Method: Conduct a systematic needs assessment, which should go beyond a simple intake form. Use structured interviews or a self-assessment tool that helps identify the entrepreneur's profile (Necessity, Replicator, Pivoter, Innovator) based on their primary motivations, prior experience, and specific knowledge gaps.

Outcome: Use this assessment to place the entrepreneur into the correct program tier (Tier 1 for Foundations, Tier 2 for Growth and Scale) and to identify the specific PSS and Cultural Cohesion modules they need most. This diagnostic approach directly addresses the inadequacy of a "one-size-fits-all" curriculum.

Step 2: The integrated BDS support package

Provide a comprehensive support package that brings to life the integrated and long-term principles of the SIM model, tailored to the specific needs and characteristics of a defined entrepreneur profile.

Module A. Tiered Business Development Support (BDS):
Tier 1 (Foundations): For "Pivoters" & "Innovators."
Tier 2 (Growth & Scaling): For "Replicators" & graduates of Tier 1.

Module B. Psychosocial Support (PSS): Resilience workshops, peer support groups, and clear mental health referrals.

Module C. Cultural Cohesion & Integration Support: Tandem mentorship with local entrepreneurs, workshops on local business culture, and joint networking events.

For Cross-Sector Collaboration:
Success for Ukrainian entrepreneurs is contingent upon a collaborative ecosystem. The following steps outline a strategy for building this ecosystem.

Step 1: Map and engage key stakeholders

Method: Conduct a thorough mapping of the local BDS landscape in a region/country, identifying public agencies, private companies, and civil society organizations that are willing to collaborate. The aim is not only to list existing entities but to actively evaluate their readiness to engage and improve the quality and accessibility of their services.

Outcome: A comprehensive pool of potential BDS provider partners. This also provides a strategic blueprint for cross-sector engagement.

Step 2: Create a centralized hub for information and referrals

Method: Establish a shared digital resource hub with best practices, training materials, and legal updates. This directly addresses the "overload of fragmented information" that challenges both entrepreneurs and providers.

Outcome: A digital "one-stop shop" that streamlines information and creates a unified referral system among BDS providers, public agencies, and civil society organizations, ensuring entrepreneurs are directed to the right support at the right time.

Step 3: Foster formalized partnerships

Method: Establish formal, ongoing partnerships with public and private sector actors. This includes engaging banks to develop micro-loan products for refugees and collaborating with corporations to provide pro-bono expert advice (e.g., legal, marketing) and market access through inclusive supply chain initiatives.

Outcome: Establishment of a multidisciplinary Project Advisory Board (PAB) that not only guides and reviews project deliverables but also fosters stakeholder ownership and actively promotes the project's impact across sectors and communities.

For Civil Society Capacity Building and Advocacy:
CSOs must be empowered to act not just as service providers but as "system shapers" who can influence policy and build a more professionalized support workforce.

Step 1: Develop the Training of Trainers (ToT) program

Method: Create and deliver a robust ToT manual and program for BDS consultants across the civil society sector. The curriculum should go beyond technical skills to include adult learning methodologies, culturally sensitive communication, and trauma-aware coaching, as BDS providers noted that "intercultural backgrounds" and "emotional intelligence" are key competencies for their consultants.

Outcome: A cohort of certified trainers equipped to deliver the adapted BDS package alongside a crosscutting PSS curriculum within their respective institutions. This approach ensures the sustainability and scalability of the model beyond the project's lifespan. The roll-out sessions led by these trainers will effectively bridge the gap between theoretical knowledge and practical application.

Step 2: Create a community of practice

Method: Establish a transnational online Community of Practice (COP), composed of the BDS providers and civil society organisations participating in the project. This platform will serve as a forum for continuous learning, mutual support, and the exchange of best practices.

Outcome: The COP will ensure the project's sustainable impact by creating a self-sustaining network that continues to foster collaboration and knowledge exchange long after the project concludes.

Step 3: Build a unified, evidence-based advocacy agenda

Method: Equip civil society organizations with an advocacy toolkit containing key data points, policy briefs, and success stories derived directly from the project's research and pilot activities. The advocacy agenda must prioritize three key points:

1. Perception Shift: from viewing Ukrainian refugees as "individuals in need" to recognizing them as active contributors who strengthen our local communities, societies and economies.
2. Funding reform: advocate for a shift from short-term project grants to flexible, long-term institutional funding.
3. Policy changes: promote the reduction of structural barriers, such as the banking "closed loop" and the streamlining of business registration.
4. Holistic support: advocate for the recognition and funding of integrated PSS as a core, non-negotiable component of business support.
5.

Outcome: A unified, amplified voice for civil society that can effectively influence policymakers and funders, ultimately leading to systemic change such as institutional adaptation and strengthening civil society capacity, as well as o a more favourable environment for all refugee entrepreneurs.

Key Findings

The guidance establishes a shared framework for coordinated action. Its successful implementation is not the responsibility of a single stakeholder but requires a concerted effort across the public, private, and civil society sectors. By shifting away from fragmented, short-term interventions towards a unified, integrated, and sustainable support ecosystem, stakeholders can enable Ukrainian refugee entrepreneurs to not only rebuild their own lives but also to become a powerful source of innovation, economic growth, and social cohesion in Germany and Poland.

A one-size-fits-all approach to business support is inadequate. The Opportunity Self-Employment model proposes a tiered, holistic, and person-centred support package that addresses the distinct needs of three entrepreneur archetypes: Replicator, Pivoter, and Innovator. This package includes tiered business support for foundational skills and for growth and scaling, as well as integrated psychosocial support (PSS) as a non-negotiable element to address the burden of trauma, chronic stress, and isolation. Additionally, the model must dismantle cultural and social capital barriers through a tandem mentorship program and free, facilitated networking events.

Success is contingent on a collaborative ecosystem where different actors work in concert. The public sector should transition to flexible, multi-year funding and streamline bureaucratic hurdles. The private sector can develop micro-loan products, and corporations can provide pro-bono expert advice and resources. Civil society organizations (CSOs) are pivotal in shaping a more effective support ecosystem. This requires a unified advocacy agenda to influence public perception of refugee entrepreneurs and policymakers, prioritizing funding reform and policy changes.

List of Abbreviations

BDS – Business Development Services

CARE Project – Cooperative Action for Refugee Empowerment – EU-funded initiative providing psychosocial and entrepreneurial support to refugee women

CEQTOR – Centre for Qualification, Training and Orientation

COP – Community of Practice

CSO – Civil Society Organization

EBRD – European Bank for Reconstruction and Development

ESF+ – European Social Fund Plus

EU – European Union

FGD(s) – Focus Group Discussion(s)

GBV – Gender-Based Violence

GIZ – Deutsche Gesellschaft für Internationale Zusammenarbeit (German Corporation for International Co-operation)

IRC – International Rescue Committee

KII(s) – Key Informant Interview(s)

NGO – Non-Governmental Organisation

PSS – Psychosocial Support

SIM – Social Innovation Model

SME(s) – Small and Medium-sized Enterprise(s)

ToT – Training of Trainers

VC(s) Venture Capital(ist/s)

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