

Project Code:	DTP2-012-1.2	Document type:	<i>Output 3.1</i>
Project start date:	01/07/2018	Project end date:	30/06/2021

DanubeChance 2.0

Embracing failure to facilitate second-chance entrepreneurship in the
Danube region

Output 3.1

Transnational Policy Learning Instrument

Due date of deliverable: 10/2019

Actual submission date: 10/2019

Document Control Sheet

Work package Number	WP3
Work package Title	Landscape screening
Activity Number	O.T. 3.1
Activity Title	Transnational Policy Learning instrument
Deliverable Number	O.T.3.1
Deliverable Title	Transnational Policy Learning Instrument
Dissemination level	Public
Main author	Wolfgang Haider, Barbara Glinsner, Andrea Mayr, Wolfgang Michalek, all ZSI, Tabea Link, Daniel Ketzner (Steinbeis)
Contributors	Good Practices collected by IFKA, SEZ/S2i, UTC-N, PTP, UKS, CFE, CCIS, RARS, ODIMM, IMPEER NASU, ZSI
Quality Assurance	IFKA

Versioning and Contribution History

Version	Date	Author/Editor/Reviewer	Contributors	Description/Comments
_v01	30.03.2019	Wolfgang Haider, Barbara Glinsner, Andrea Mayr, Wolfgang Michalek	ZSI, IFKA, SEZ/S2i, UTC-N, PTP, UKS, CFE, CCIS, RARS, ODIMM, IMPEER NASU	Draft Report
_v02	30.10.2019	Wolfgang Haider, Barbara Glinsner, Andrea Mayr, Wolfgang Michalek,	ZSI, IFKA, SEZ/S2i, UTC-N, PTP, UKS, CFE, CCIS, RARS, ODIMM, IMPEER NASU	Final report
_final	19.12.2019	Wolfgang Haider, Barbara Glinsner, Andrea Mayr, Wolfgang Michalek, Tabea Link, Daniel Ketzner	IFKA	Final revision after Second Progress report
Document last saved on		19.12.2019		

Content

1. Introduction.....	4
2. The regional situation – creating an empirical basis	4
3. The country specific situation – state of the art	5
4. Support 2.0 – Good Practices on knowledge transfer, crisis prevention, early warning and re-start	8
4.1 Austria	9
4.2 Bosnia and Herzegovina	10
4.3 Croatia	11
4.4 Germany	12
4.5 Hungary	12
4.6 Moldova.....	13
4.7 Romania.....	14
4.8 Serbia.....	14
4.9 Slovakia.....	15
4.10 Slovenia	15
4.11 Ukraine	16
5. Conclusion - Creating a suitable policy framework.....	16

1. Introduction

Danube Chance 2.0's Transnational Policy Learning instrument aims to support policymakers across the Danube region and beyond in facilitating common understanding of framework conditions regarding second-chance entrepreneurship as well as good policy making practices in the Danube region. The tool is a combination of various knowledge sources that provide relevant information about the regional policy and market context for second-chance entrepreneurship.

The tool offers various interesting and insightful knowledge pools for policymakers in the Danube region, who are interested in bringing their region forward in terms of economic productivity and inclusive growth.

First of all, the tool documents the country situation in the Danube region in dimensions relevant to second-chance entrepreneurship such as specific second-chance entrepreneurship policy, framework of restructuring, bankruptcy and insolvency policies and networks and cooperation of second-chance entrepreneurs.

Additionally, it includes the transnational identification of key policy dimension necessary to advance the issue in the Danube region. Furthermore the transnational policy learning instrument includes a comparative analysis of the situation in the Danube region countries and a presentation of Good Practices that can be used as inspiring sources for policy makers in the region. Last but not least, the transnational tool allows the policy makers to dive into the issue of stigmatisation of failure in society and ways how to tackle it.

Besides that, the policy learning instruments highlights and details Good Practice case studies as well as specific insights in Early Warning Mechanisms in place in other European regions. This rich resource pool gives policymakers the necessary tools to work on the target areas which are of key importance to bring the issue of second-chance entrepreneurship forward.

The prevailing document offers a short and concise insight into the main parts of the policy tool, giving an overview on the results in an easily understandable and accessible ways.

2. The regional situation – creating an empirical basis

While various studies and indexes provide information on the start-up friendliness of regions, there is a lack of analyses focusing on the conditions for re-starters and entrepreneurs in the crisis. Against this background, the DanubeChance2.0 project partners have investigated the legal, socio-economic and cultural framework conditions for business start-ups in 11 countries of the Danube region. Based on 100 expert interviews, an extensive legal study, stakeholder consultation and desk research, the empirical part of the project identified reasons for failure and experiences with Second-Chance entrepreneurship in order to identify support needs.

The strengthening of entrepreneurial qualities through a crisis experience was highlighted by the majority of the experts involved in the study as an underestimated potential. While the support and consulting landscape for start-ups is flourishing, there are hardly any specific support offers for re-

starters so far. Although re-starters are generally not excluded from support programmes due to the equal rights of all those interested in starting a business, they often have to struggle with bureaucratic hurdles, protracted insolvency and complicated debt relief procedures.

The summary of the study is also divided: While a functioning insolvency system exists in all Danube countries, they differ considerably in terms of efficiency. In Slovenia, for example, an insolvency process lasts on average just under one year, while in Slovakia this process takes more than four years (see table). One particularly sensitive issue is the stigmatisation of failed entrepreneurs, since virtually the entire Danube region regards failure as a personal failure that does not happen to competent entrepreneurs. In the start-up scene, however, a new culture regarding failure developing.

Country	Insolvency - ranking (worldwide)	Duration (years)	Insolvency rate (Cent per Dollar)	Costs of insolvency procedure (% of assets)
Germany	4	1,2	80,4	8,0
Slovenia	9	0,8	88,7	4,0
Austria	21	1,1	80,1	10,0
Bosnia and Herzegovina	37	3,3	38,9	9,0
Slovakia	42	4,0	48,8	18,0
Serbia	49	2,0	34,5	20,0
Romania	52	3,3	35,8	10,5
Croatia	59	3,1	34,8	14,5
Hungary	65	2,0	44,2	14,5
Moldova	68	2,8	30,9	15,0
Ukraine	145	2,9	9,6	40,5

Source: World Bank (2018): Resolving insolvency, Available at: <http://www.doingbusiness.org/en/data/exploretopics/resolving-insolvency>

However, it still seems to be a long way to go before this will manifest itself in a more informed approach to failure. The study shows that in practically none of the countries are re-starters explicitly addressed by public programmes or political objectives. Public support is mostly limited to revitalisation measures during the crisis. In addition: Negative entries in credit agencies remain for many years after insolvency and/or debt relief (Germany 6-10 years, Austria 7 years) and make bank financing almost impossible. Thus, for the financing of a re-start only private investors ("Family, Friends and Fools") usually remain. Unfortunately, the potential of re-starters is often stalled. It is therefore important to develop this potential in the Danube Region through a combination of structural and competence-building measures.

3. The country specific situation – state of the art

In **Austria** the starting position is generally a good one as new businesses are quite sustainable in international comparison and therefore there are less cases of insolvency or bankruptcy. The measures in place that aim at preventing business failure and bankruptcy make sure that business which are in a situation of financial distress can access clear and well developed re-structuring procedures and thus to reduce the risk of insolvency.

Measures also include a well-developed set of consulting services and financial aid services, where barriers for failed entrepreneurs have been sufficiently removed. However, in Austria a big issue is related to cultural values of risk avoidance and stigmatisation of failure which often hinders entrepreneurs to get active at the market to begin with. This general cultural disposition is also reflected on an institutional level as negative information remains in credit databases for seven years, making re-entering the market more difficult. Even though the current political climate tends to favour entrepreneurial activity, a shift towards a more entrepreneurial culture in general is still outstanding.

In the case of **Bosnia and Herzegovina**, second-chance entrepreneurship policies and instruments have been realised as a field of strategic importance by policy makers. This is reflected in the adoption of strategic documents acknowledging the importance of the field. Furthermore, there are several support measures for SME development in place that are easily accessible for second-chance entrepreneurs, not only on national but also on local level. Nonetheless, as of now no specific measures targeting second-chance entrepreneurs exist and even though there are some support measures in place, the general knowledge on business development and foundation is scarce.

Similar to the Austrian case, there is a quite significant cultural barrier towards a real entrepreneurial culture, especially because of administrative and bureaucratic hurdles hindering the development of new businesses as well as lack of capital available to enter the market. Additionally, the need has been identified for creating an "early stage" warning system to prevent companies from bankruptcy and to establish networks between "second-chance" entrepreneurs and relevant stakeholders.

In **Croatia**, significant progress has been made in terms of removing administrative barriers for re-entering market, which is an important step not only for new entrepreneurs but also for re-entrepreneurs. Furthermore pre-insolvency procedures are in place which regulate the possible restructuring options for businesses that are in financial distress. However, even though these regulations are oriented towards international best-practices, the duration of insolvency procedures remains quite high and can be considered as a hindering factor for re-starting a business. In light of a general economic downturn, the political attention towards second-chance entrepreneurs is minimal and therefore some more work is needed to bring this topic on the table and to implement specific and targeted measures.

The **German** second-chance landscape has quite some similarities with the Austrian case. The starting position generally is a good one as insolvency proceedings are efficient and re-structuring procedures are strongly supported. The strength of the German second-chance framework becomes visible if one considers that all founders are handled equally, no matter which previous failures they have endured. This means that all barriers for re-entering the market have been removed and as soon as insolvency procedures are concluded, entrepreneurs can re-enter the market.

Like in other countries, stigmatisation of business failure is a big problem in Germany that hinders the topic being treated accordingly. The attention on a political level is still minimal and although younger generations tend to have a different attitude towards it, a culture of "business failure" is not recognisable. While public policies and support measures are hardly targeting the specific needs of failed entrepreneurs, business accelerators in Germany are realising the potential of re-starters and are pushing programmes and instruments specifically funding failed entrepreneurs.

In **Hungary**, the supportive framework for entrepreneurs is generally in a good condition as a high number of business accelerators and incubators as well as seed- and venture capital investors exist in Hungary facilitating the access to the market not only for founders but also for re-starters. The entrepreneurial support system in Hungary is furthermore quite well developed in terms of international exchange, as there is a significant number of interregional and transnational economic development and SME acceleration projects involving partners from Hungary. This shows that on a practical level knowledge and experience is shared and gained, resulting in better information on which specific measures in the second-chance entrepreneurship landscape work in different contexts and what could be improved.

However, in terms of insolvency procedures, Hungary lacks a well-developed system of prevention and re-structuring support systems. This situation is aggravated by the fact that post-bankruptcy treatment of second-chance entrepreneurs is not well developed, hindering a smooth re-entering of the market, especially because of long insolvency procedures. Therefore, these specific needs of second-chance entrepreneurs should be put on the table by including second-chance issues in existing business support structures and information campaigns.

Moldovia faces some issues regarding the second-chance entrepreneurship landscape. While there is a quite well developed system of business support instruments in place that is also open for second-chance entrepreneurship, there are also some shortcomings detectable. Like in other countries, there is no “culture of failure”, which means that entrepreneurs tend to avoid risks rather than take them and this behaviour is endorsed by the institutional landscape. For example access to credit systems for failed entrepreneurs is hindered by administrative and legal barriers. Therefore an important opportunity is to create clear regulations on insolvency and bankruptcy procedures to enable creditors and investors to determine who is an honest failed entrepreneur and who is not.

Romania can point to various reforms undertaken in the area of insolvency, bankruptcy and re-structuring procedures, which are guided by best practices from the EU. Nonetheless, insolvency procedures still remain very inefficient and in addition to that, business failure is highly stigmatised. However, the Ministry of Economy intends to launch a program to support entrepreneurs who failed in the first business, supported by European funds. This shows that the issue of second-chance entrepreneurship is recognised as a relevant policy intervention area, although so far no real progress has been made in the area as 92% of businessmen who have gone through a failure are giving up entrepreneurship in an economically bad situation characterized by a labour force crises and high inflation rates.

In **Serbia**, the biggest issues regarding the second-chance entrepreneurship landscape are the long duration of insolvency procedures, missing incentives for re-starting business and a general lack of financial support programmes setting incentives for entrepreneurs to (re-)start businesses. The situation exacerbated by a generally negative public attitude towards business failure in society. This negative stance towards risk taking in an entrepreneurial context is further propelled by missing political strategies tackling second-chance issues.

However, Serbia has made progress in specific areas relevant to the thematic of second-chance entrepreneurship. For example, a consensual re-structuring approach has been set up for organisations in financial distress. This instrument shapes relationships between businesses and/or

entrepreneurs in financial difficulties and its creditors. Included in this instrument is a mediator network that connects different stakeholders such as the Serbian Chamber of Commerce. Mediators take up a crucial role in the re-structuring process and can lead to more efficient re-starting procedures.

In **Slovakia**, laws on bankruptcy and re-structuring have been adopted recently to better fit the requirements of efficient and comprehensive procedures. However, the average duration of terminating a business is still long (4 years) and costly and can therefore be regarded as a major barrier for re-starting business and re-entering the market. Additionally the legal framework has been changing quite frequently in recent years, creating an unstable environment in which entrepreneurs have to face administrative and regulatory obligations that are a significant barrier for (re-)entering the market. Besides, there are no financial incentive measures for honest failed entrepreneurs, which also points to the fact that the topic is still underrepresented on a political level.

The picture in **Slovenia** has some similarity with the situation in Slovakia. Bureaucratic hurdles and administrative barriers are generally considered as major barriers in the Slovenian business funding environment. Further, the stigmatisation of failed entrepreneurs is a quite common phenomenon that hinders lively foundation activity. On the other hand insolvency procedures are considered quite effective in Slovenia, encompassing compulsory and simplified settlement procedures for small enterprises. This allows for a rather fast preparation of market re-entering procedures and puts entrepreneurs in a rather comfortable position regarding their second-chance efforts. Additionally, while there are no specific policies or support programmes in place for second-chance entrepreneurs the overall well-developed business support structure offers the potential to include more targeted measures for second-chance entrepreneurs.

In the **Ukraine**, it is noteworthy that according to the information compiled in the country report, stigmatisation of business failure is not an issue. This means a “culture of failure” is in place that encourages entrepreneurial activity rather than preventing it. Entrepreneurial activity is furthermore fostered by the rather well-developed infrastructure support for enterprises (e.g. business centres, chambers of commerce and industry, business support funds, etc.) at the national and the regional level. Still, there is no real system existing that facilitates second-chance entrepreneurship, as no formalised and established cooperation between failed entrepreneurs and stakeholders relevant to this field exists. Obviously, the situation in the Ukraine is generally characterised by political and legislative instability as well as economic issues leading to limited state and regional budgets. Therefore, the priorities in the Ukraine can hardly be compared with the issues in the other studied countries regarding economic policies and entrepreneurial skills.

4. Support 2.0 – Good Practices on knowledge transfer, crisis prevention, early warning and re-start

Institutionalised early warning systems (“early warning”) help to identify corporate crises at an early stage. A national programme from Denmark, in which voluntary consultants work together with entrepreneurs to identify and overcome crisis factors, can serve as inspiration for the Danube Region. A special feature of the programme is that the umbrella organisation “Early Warning Denmark” has a wide network of volunteer advisors with different competences and focuses who can be easily placed with entrepreneurs. The special feature of the programme is that not only economic advice is offered,

but that the personal level and the effects of an entrepreneurial crisis on them are seen as a core component of any intervention measure. Initial evaluations of the programme show that those enterprises that make use of the early warning system have significantly better chances of survival than those that do not.

Especially for the re-start after failure, it is mainly private consultants and initiatives that offer professional support. The private platform "Unternehmer in Not" in Austria collects interesting and helpful information for crises and re-start. So-called "Fear and Fail" events are offered in Slovenia to exchange experiences of failure. TEAM U's "Hero Meetings" in Germany follow a similar approach, focusing on mutual exchange and personal advice for a successful re-start. The model was developed on the basis of the discussion groups of the 'Anonymous Insolvents', which have been offered nationwide in Germany since 2007. But here too, professionalisation and the bundling of synergies are needed for a nationwide support infrastructure for re-starters that goes beyond the exchange of affected persons. In order to classify these practices, three different categories have been identified that are relevant to second-chance entrepreneurship support in the Danube region:

Private initiatives: Private initiatives are good practices that are organised by private companies, associations, foundations, individuals or other non-state actors. They can be targeted at entrepreneurs in crises as well as directly towards re-starters.

Public-Private Partnerships: The cooperation of the private sector with state actors is called public-private partnerships. GP subsumed under this label are cooperation between state and private actors meaning that for example funding for a certain initiative can come from the public hand and the execution is in the hand of private actors, as is the case with projects that are funded by public authorities but executed by private actors.

Policy initiatives: Finally, policy initiatives in the context of Danube Chance 2.0 are understood as programmes and instruments implemented by public institutions. This includes not only direct administrative organs of the state such as ministries, but also includes companies or associations under direct administration of a public institution.

In the following, one selected Good practice collected by Danube Chance 2.0 partners is presented in the form of a fact boxes:

4.1 Austria

Fact box	
Name of the intervention	SME-Financial Restructuring programme
Country/Region	Austria
Implementing body	aws – Austria Wirtschaftsservice
Type	Policy initiative
Objective	Support of restructuring measures that <ul style="list-style-type: none"> • ensure future economic success of the enterprise in medium-term • serve the preservation of jobs

	<ul style="list-style-type: none"> are realized in co-operation with the concerned enterprise and creditors
Nature of intervention	<p>Guarantees for</p> <ul style="list-style-type: none"> investment credits working capital Guaranteed percentage: up to 80 % of the outstanding credit balance Guarantee Term: Generally 10 years (max. 20 years) Guarantee fees: min. 2 % p.a. (may be adjusted in case of higher risks involved)
Results	<p>Around 20 projects per year are submitted for financial restructuring to the aws</p> <ul style="list-style-type: none"> Half of the projects don't fulfill necessary criteria ~ 10 projects per year are supported Through this measure 400-500 jobs are saved per year
Transferability (high/medium/low)	<p>Medium - Important pre-condition is the existence of business development bank or organisation that can implement this measure considering the European competition regulations</p>

4.2 Bosnia and Herzegovina

Fact box	
Name of the intervention	The support mechanism for providing "a second chance" to enterprises
Country/Region	Republic of Srpska/Bosnia and Herzegovina
Implementing body	RARS - Republic Agency for the Development of Small and Medium Enterprises
Type	Policy initiative
Objective	Providing a "second chance" for honest entrepreneurs whose businesses went bankrupt; to help them to re-establish a new business
Nature of intervention	Systematic solution for supporting enterprises with difficulties in business and providing a "second chance" to honest entrepreneurs who have had to close their business due to problems, crisis, the lack of work, disaster or

	anything else that is not an illegal activity, but who want to re-establish an enterprise. This support offers trainings, early warning systems and second-chance networks.
Results	<p>No results so far as the policy is still in development, but the public benefit that is expected is manifold:</p> <ul style="list-style-type: none"> • Raising of awareness and visibility on the second chance entrepreneurship in Republic of Srpska; • Development of specially designed programme for providing a "second chance" to entrepreneurs; • Creating a network between second-chance entrepreneurs and business support organisations; • Creation of new businesses; • Mitigation the stigma associated with those who have had failed businesses in Republic of Srpska
Transferability (high/medium/low)	Medium

4.3 Croatia

Fact box	
Name of the intervention	2REVIVE- Revival entrepreneurship through second chance
Country/Region	Croatia
Implementing body	Informo Association
Type	Public-Private Partnership
Objective	Supporting the development of second-chance entrepreneurship attitude and self-confidence, -awareness and -efficacy in second-time entrepreneurs with guiding and mentoring relationships and thus restart their business successfully.
Nature of intervention	Transnational project, private initiative (PP Informo Association, NGO from Croatia) with public funding from the Erasmus + Programme, KA2 Cooperation for innovation and exchange of good practices of the European Commission
Results	<ul style="list-style-type: none"> • Online self-assessment tool • Guide4Mentors • Guide to second chance entrepreneurs

Transferability (high/medium/low)	High
--	------

4.4 Germany

Fact box	
Name of the intervention	Team U – Hero Meeting
Country/Region	Germany/Baden Württemberg
Implementing body	Team U Restart GmbH
Type	Private Initiative
Objective	To empower restarters by creating a protected environment where they can learn from mistakes.
Nature of intervention	Restarters meet in a protected group setting facilitating mutual learning from past mistakes in their entrepreneurial history.
Results	<p>Results and Impact of the GP:</p> <ul style="list-style-type: none"> • Entrepreneurs who learn from mistakes, are encouraged to start again and become better restarters. They develop a new self-esteem and professional outlook • New companies and jobs are created • Shift in society to see crisis and failure as part of business • Encouragement of entrepreneurship, innovation through a new culture of learning from mistakes • Less stigmatization of restarters - culture of second chance • Cost for social security system and health system are reduced, illness and family problems are reduced • Society is stable if people have jobs and fulfillment • Restarters are more successful than start-ups if accompanied by right support
Transferability (high/medium/low)	High

4.5 Hungary

Fact box	
Name of the intervention	HGC Academy
Country/Region	Hungary

Implementing body	Pannon Business Network
Type	Public-Private Partnership
Objective	Integrating public fund directly with SMEs, to enable partnership-based policy instrument (IFKA is integral part of the fund allocation, PBN-led consortium is business intermediary)
Nature of intervention	Mentoring, Training Academy and Study visits,
Results	Academy was successful in implementing mentoring and training measures and received high satisfaction ratings from the entrepreneurs
Transferability (high/medium/low)	High

4.6 Moldova

Fact box	
Name of the intervention	RIAM – Business Incubator Network Moldavia
Country/Region	Moldova
Implementing body	Organization for Small and Medium Enterprise Sector Development (ODIMM) and Ministry of Economy, Local Public Authorities
Type	Public-Private Partnership
Objective	The Business Incubator Network helps SMEs survive and group in the first three years of their existence.
Nature of intervention	Various services are provided to ensure that this survival is guaranteed: <ul style="list-style-type: none"> • Physical infrastructure for companies at preferential rate • Tailored consulting services • Networking • Revolving fund – loan for resident companies to cover small investments or fixed assets without interest rate for the period of incubation.
Results	Companies are using the services on a regular basis and therefore the business environment in Moldavia has been strengthened: <ul style="list-style-type: none"> • 998 Jobs have been created and a turnover of 6 mil Euro has been generated • 2855 consultancies have been conducted • 60 loans have been issued • Survival rate is at 76%

Transferability (high/medium/low)	High
--	------

4.7 Romania

Fact box	
Name of the intervention	Start-up Nation
Country/Region	Romania
Implementing body	Ministry of Business, Commerce and Entrepreneurship, Territorial Offices for SMEs and Cooperatives, Investment Attraction and Export Promotion
Type	Policy Initiative
Objective	The Start-up Nation programme follows specific objectives: <ul style="list-style-type: none"> • Stimulate the creation and development of SMEs • Improve the economic performance • Stimulate innovative technologies • Create new jobs • Diversify the product and service market • The emergence of new competitors on the market
Nature of intervention	The Start-up Nation programme provides funding to entrepreneurs who want to start a business. If they meet the criteria set-out they can receive up to 40.000 Euro. Second-chance entrepreneurs are able to participate in the programme without any barriers.
Results	With the financing provided in 2017, 21,000 Jobs were created, 4,648 new businesses were launched and the entrepreneurial culture in the country was promoted.
Transferability (high/medium/low)	High

4.8 Serbia

Fact box	
Name of the intervention	Restructuring Mediation Services
Country/Region	Serbia
Implementing body	Serbian Chamber of Commerce
Type	Public Private Partnership
Objective	Consensual financial restructuring of companies in financial crises
Nature of intervention	Preparation of a debtor plan for restructuring including the needs of creditors, advising on

	measures to propose. Chamber of commerce guides companies through restructuring procedure and logistically supports all steps.
Results	Out of all 50 restructuring cases in 2018 in Serbia the Chamber of Commerce resolved 20 of them in a positive way.
Transferability (high/medium/low)	High

4.9 Slovakia

Fact box	
Name of the intervention	Act on Bankruptcy and Restructuring
Country/Region	Slovakia
Implementing body	Ministry of Justice of the Slovak Republic
Type	Policy Initiative
Objective	To simplify the process of debt discharge and bankruptcy of self-employed persons with aim to support failed entrepreneurs to re-enter the market.
Nature of intervention	Reform of a legal act – new rules on debt discharge of natural persons.
Results	Procedures of debt discharge were reduced from four years on average to less than one year on average. Furthermore, a better recognition of honest and dishonest entrepreneurs was achieved (ban on businesses through the disqualification register). Additionally, the costs for bankruptcy proceedings were reduced.
Transferability (high/medium/low)	Medium

4.10 Slovenia

Fact box	
Name of the intervention	Fear and Fail events
Country/Region	Slovenia
Implementing body	Lincoln Island
Type	Private Initiative
Objective	Combating the fear of failure and connecting entrepreneurs to share and exchange their experiences and to learn from each other.
Nature of intervention	Series of events that is implemented with different partner organisations.
Results	A community of second-chance entrepreneurs is built up that supports each other and that changes the entrepreneurial culture towards more acceptance of failure.
Transferability (high/medium/low)	High

4.11 Ukraine

Fact box	
Name of the intervention	2 nd ChanceHub
Country/Region	Ukraine/Kharkiv
Implementing body	IMPEER NASU, Kharikiv National University of Civil Engineering and Architecture, Department of Finance and Credit
Type	Public-Private Partnership
Objective	The objective of the hub is to deliver support and consultancy to entrepreneurs in crises and to re-starters.
Nature of intervention	Revitalisation advice is offered through personalised consulting as well as training measures based on scientifically backed up knowledge. The hub targets SMEs as well as Star-ups and builds up a pool of best practices that can be used as reference models
Results	New B2B networks have been established that support the second-chance community and promote an entrepreneurial culture in the Ukraine.
Transferability (high/medium/low)	Medium

5. Conclusion - creating a suitable policy framework

Thinking the different elements of the Danube Chance empirical work together, 5 dimensions can be highlighted, that should be taken into account when designing and implementing policies and initiatives or transferring a GP in the field of second-chance entrepreneurship. For one, the **regulatory background** is determining the shape of each GP and is a contextualised factor that needs to be taken into account when thinking about transferring a GP. In most of the cases, the regulations will differ in the Danube regions and therefore transferring GPs in a static and schematic way is not productive.

Additionally, the set of **stakeholders** that is relevant in the implementation of a GP needs to be defined very clearly. Institutional contexts are regionally shaped and differ considerably among Danube region countries. Therefore it is necessary to get a clear picture on the stakeholder landscape already in advance to determine which of them need to be engaged in which form.

Besides the local context that needs to be taken into account, the **European scale** has to be considered when assessing the potential for transferring and implementing GPs. Not only do the analysed GP show that there is a need for further harmonisation in certain areas (e.g. debt discharge) but also that this harmonisation leads to direct beneficial results for stakeholders and target groups.

Arguably, **financing** of GPs is a key element to secure their sustainability and their long lasting success. While in most of the GP state funding has played a big role, sources for private funding are becoming

more and more important. It is not only relevant to consider alternative funding ways for implementing GP (e.g. new forms of Public-Private Partnerships) but also alternative financing ways that can be provided to the target groups (e.g. re-starters).

Finally, a core issue for creating the necessary impact is to include the **target groups** of the GPs already in the design of practices and instruments. Especially in the case of second-chance entrepreneurship, target groups and also their needs are often hard to identify. Therefore a clear definition of the target group (e.g. where they are located in the framework of the second-chance cycle) needs and needs to be set out in order to tailor the measures to their specific needs.

Altogether these five issues form a complex of topics that allows a more detailed insight into GP and their specific mode of functioning. Getting to know these modes is key to understanding how they work and in how much they are transferable to other regions as well to design similar initiatives from scratch.