



Starting a business without money



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Cover image: Layla Abbas Lefta started the salon Guldsaxen with her friends. Read more about her on page 56.

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Foreword

Starting a business that has the potential to grow and thrive demands a good idea, knowledge and often, but not always, a sum of money to get started. The Swedish Agency for Economic and Regional Growth works to make it easier for more people to start businesses, and for more business ideas to become a reality. Publishing this book is part of that work.

Anyone who wants to start a business, regardless of their sex, age, country of birth or choice of business form should have the opportunity to get development information, advice and support – on equal terms. The Swedish Agency for Economic and Regional Growth works to increase opportunities for people with different backgrounds and experience to turn their business ideas into a reality. This book *Starting a business without money* provides many examples of inspiring solutions for getting an enterprise up and running with not much money but a strong drive to succeed. That we take advantage of this drive to succeed is beneficial to all of us and the society as a whole.

It is our hope and belief that this book can be a source of inspiration. Inspiration for more people to make the leap and start an enterprise, but also to encourage more people to see the potential to become entrepreneurs in the people they meet.

The author, Fredrik Bergman, is responsible for the content of this book.

Anna Büniger

Head of Trade and Industry
Swedish Agency for Economic and Regional Growth

Introduction

You might be unemployed, living off income support from social services, but with dreams of becoming self-supporting. *Starting a business without money* is written for those who have the drive and the ideas, but perhaps not the big funds, to start their own business.

This book is also addressed to business advisers, social workers, Swedish Public Employment Service (*Arbetsförmedlingen*) officers, and others whose work includes meeting people who need to find a way to support themselves. It provides inspiration and information about starting a livelihood business with only a small financial investment at the outset.

This book takes a positive approach. It aims to show the possibilities that exist. It might seem that there are a lot of rules and regulations in a country like Sweden: occupational health and safety rules, tax rules, cash register regulations, work environment requirements, and much more. Sometimes you might hear people say that you just can't make a living as a market trader in a country as complicated as Sweden. And on first sight, this might appear to be true. This book tries to look at what can actually be done, without breaking the rules.

Being an entrepreneur is not an easy life. The working hours are long and there are often a number of years of struggle before achieving break-even. It might not be a life that suits everyone. But for some, it comes entirely naturally.

For many refugees who come to Sweden, the traditional Swedish road to working life – study, becoming employable, and getting a secure job – feels foreign. They are more used to producing and selling things. The tradition for them is to be entrepreneurs. It's not uncommon for us to encounter people who also feel that they get better at speaking Swedish by standing in a market stall selling flowers than by studying Swedish in a classroom with maybe more than 30 students.

Starting a business without money is based on seven years of experience from Macken's business centre in Växjö. The business centre was established in close cooperation with the municipality of Växjö. It's about helping people to start their own businesses – people who often lack money, contacts and adequate language skills, but have trade or professional skills, drive and ideas.

It is immensely fulfilling to be able to live off your own idea, to be able to support yourself. The model we have worked with has always been the long road to entrepreneurship: starting out with a market stall and slowly growing from almost nothing. It's a life that requires a lot of patience, but it also entails far fewer risks. In our world, starting a business without money is both a reality and a recommendation.

Warm thanks to all of you who made this book possible; first and foremost, to Christina Behrenz of Växjö City Library who was the initiator this book, and then to all of those who willingly shared their knowledge: Thomas Andersson, AnnKristin Mansfeldt, Lennart Olsson, Staffan Håkansson, Peter Johansen, Magnus Andersson, Stefan Carlsson, Bertil Närenbäck and many more. And warm thanks also to Tina Hedegård for her excellent help with proofreading, and to Eva Carlsson and Eva Johansson at the Swedish Agency for Economic and Regional Growth for their commitment to the project, and for their many constructive comments. Warm thanks also to all the entrepreneurs described in this book. You are its true heroes. This book is about you.

MACKEN, VÄXJÖ, SWEDEN OCTOBER 2015

Fredrik Bergman

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**“Having a
market stall
has been great
for learning
Swedish.”**

UBONRAT “TIP” SUWANNAWONG

Tip's market stall is her livelihood

Ubonrat Suwannawong came to Sweden from Thailand in 2003. One of the first things she did was to learn how to make traditional Swedish pastries and cakes. She watched closely how her Swedish mother-in-law made them. Then Tip, as she is called, opened her own pastries and cake stall in her local outdoor market. She has now been living off selling pastries and cakes from her market stall for several years.

– “I thought I could sell cakes at the market to learn Swedish. People always talk so much at markets.”

The first things she learned to make were Helena tarts, cinnamon scrolls and chocolate cake squares.

She didn't need any start capital. She made the cakes and pastries at home, at first as a bit of a hobby, before she started her own business.

– “I started with SEK 250, which I used to buy ingredients. Once everything was sold, I had made SEK 500 and so I could buy more ingredients for next week.”

Her sales kept on rising. She soon had regular customers. After a while, she was able to complete a baker's course through the Public Employment Service (*Arbetsförmedlingen*). She also got a work experience position in a bakery for an extended period. Tip's dream was then to find her own bakery premises. She found an old pirog bakery in an industrial area, where she now bakes for market days, Wednesdays and Saturdays.

The tough thing about being a baker is the hours. To have warm, fresh buns in the morning, they have to be baked at night. Tip often gets up at 2 or 3 am to bake for the day's sales. Her days are long; sometimes she works until 8 pm.

“I decide how much or how little I want to work. I’m making my own life, and it’s starting to be a good life.”

– “If you want to succeed in business, you must be prepared to work hard. You have to struggle a bit.”

At the same time, Tip has seen her business gradually improve.

– “In five years I will have a better life, work less, earn a bit more. I can see how my finances are getting better all the time.”

She wants to continue selling from the market stall, but also wants to open a shop in the premises where she does her baking. Tip likes being her own boss, likes being an entrepreneur.

– “I decide how much or how little I want to work. I’m making my own life, and it’s starting to be a good life. You can make money doing this. But I do work hard of course.”

She is quite convinced that it would be possible to earn a living in other cities in the same way as she is in Växjö – by baking cakes and pastries and selling them from a market stall. ■



Making a living as a market trader in Sweden

What permits do you need?

A person wanting to sell from an outdoor stall in Sweden generally needs a permit to use a public place from both the Police and the municipality. But if you only sell at a marketplace on regular market days, generally you don't need a permit.

How do you get a good place at the market?

It's important to book in advance, or be there early on market days. Those who come early usually get the best place. If you want to set up your stall at a place other than an established market, you must apply for a permit from the Police.

Is there a cost involved for selling at a market?

Many municipalities charge for a day's place at the local market. Ask your local municipal services department.

Can you sell whatever you like?

You can sell almost anything at a Swedish market: clothing, handicrafts, flowers, food, etc. But if you are going to sell food regularly, you must report and register your business with the municipality's Office for the Environment and Health Protection. The rules are simple for anyone selling packaged sweets or ready-made, pre-packaged cakes and pastries, but if you start selling by piece or by weight, the hygiene inspection requirements are stricter. There are very strict requirements on selling hot food and meat. Always talk to your municipality first when it comes to selling food. Tell them what it is you want to sell.

Do you need to start a business?

Not everyone operating a market stall needs to start a business. The Swedish Tax Agency distinguishes between three types of market trading: trade in private personal property, hobby activities, and business activities.

A person who does a clean-up of their apartment and sells a few of their own things, such as books and ornaments, or furniture at a market does not need to start a business. But the annual profit for this kind of activity must be less than SEK 50,000 (sale price minus cost price). This is deemed “selling of private chattels”.

A person selling home-made cakes or their own handiwork at a market on just one or a few occasions does not need to start a business either. A hobby is something you do in your free time without an actual profit motive, such as selling your own handicraft, plants from your garden, or cultural activities such as selling your own books or playing music on the street (busking). Those who make money from their hobby activity must use a separate tax form called the T2 form. You submit this form along with your income tax return.

Hobby activities are taxed even if you don't need to start a business to carry on such an activity. You declare the profit as occupational income. You also have the right to make deductions for your costs, even for a hobby activity.

A business activity is when people operate market stalls with the primary purpose of making money and supporting themselves, and in that case you almost always need to start a business. In determining what is a business activity, the Swedish Tax Agency bases its assessment is based on three criteria:

- autonomy
- permanence
- profit motive.

If you are deemed autonomous in your activity, it is your permanent occupation, and it has a clear profit motive, it will be classed as a business activity. You will then have to register with the Swedish Tax Agency and apply for approval for *F-skatt* (*F-tax*).

For example, a person who purchases a supply of strawberries to sell at a market stall or on the street is immediately

deemed a business activity. The person is actively selling, and the motive is profit.

Do you need a cash register for a market stall?

A new Act on cash registers came into force in Sweden in January 2014. It means that now market stalls must also use cash registers. Anyone who sells goods or services for cash payment (including charge and credit cards) amounting to at least four times the price base amount (prisbasbelopp) – SEK 178,000 in 2015 – must have a cash register, even when trading at a market. This sales threshold (four times the price base amount) applies to the whole enterprise. For example, if a restaurant opens a temporary food stall in a market, it is the entire sales volume of the enterprise as a whole that determines whether the market stall must have a cash register or not.

All cash registers must be reported to the Swedish Tax Agency, and they now need a certified control unit that the Swedish Tax Agency has the right to inspect if necessary.

You can avoid the cash register requirement for market trading if you instead use cash invoices: you write out an invoice which is paid in cash for every customer transaction. But these invoices need to be as detailed and accurate for the bookkeeping as other invoices, so they must include the customer's full name and address. In reality, using cash invoices is very complicated. Your customers would be rightly irritated if they are required to give their name and address on an invoice to complete the transaction when buying a tomato plant from you for SEK 30. If your transactions are few and for more expensive items, cash invoices are a more feasible option.

A person operating a hobby activity does not need to use a cash register, even when trading in a market.

Unmanned sales do not either need to use a cash register. Unmanned sales means for example a busker/street musician who performs with a hat in front of him/her.

Selling on a public street – not part of a market

As a rule, in Sweden you can sell newspapers and magazines, flowers, books, live music (busking) and other things directly on a public street – outside the local market square. But a person who sets up any kind of stand or cart or canteen or fast food wagon or anything in fact that takes up space in a public place must apply for a permit from the Police in order to use the land. Anything that takes up land space requires a permit, even if you are only laying out a blanket on the ground or setting up a trestle table to display your items. However, if the land is only used “temporarily and to a negligible extent and without encroaching on anyone else’s permit”, you do not need a permit from the Police.

This means for example that you can busk standing up playing a violin with a hat on the ground in front of you, sell newspapers from a shoulder bag, sell balloons from a rack carried on your back, or ice-cream from a portable icebox slung around your waist, or sell flowers from a bicycle.

Some municipalities have their own special regulation for buskers. For example, in Gothenburg you can only busk for a maximum of one hour at certain specified locations, and only during certain hours of the day and night, and without amplifiers and speakers. But the rules can be quite different from municipality to municipality.

A person who earns less than SEK 18,824 per year (2015) does not need to pay tax. If you earn more than this, you need to pay tax in some way, even if your activity is mobile or you sell door-to-door.

Picking berries and mushrooms

A person who picks pine cones, berries or mushrooms in the forest and sells them has the right to do so without paying tax if their value does not exceed SEK 12,500 per year.

Unmanned vegetable sales from a garden allotment

If you sell vegetables from your allotment or from a municipal garden, in an unmanned shelter, which is termed farm gate sales (*gårdsförsäljning*), you don't need to use a cash register. In this case, it doesn't matter how much or how little you sell. Unmanned sales do not need to use a cash register.



ORDLISTA

Näringsidkare – Businessperson. The person who owns and operates a business activity.

Näringsverksamhet – A business activity. Refers to self-employment in a business activity.

Ingredienser – Ingredients. The components that go into making a meal, for example.

Entreprenör – An entrepreneur. A person who has started and is running a business. Sometimes also used to mean an enterprising person.

Arbetsmiljö – Work environment. Relates to the working conditions in a workplace.

Hälsoskydd – Health and safety protection.

Kassaregister – Cash register.

Privat lösöre – Private chattels. Personal property that is not fixed to a piece of land and can be moved.

Hobby – An activity that you do in your free time. **Försäljningspris** – Selling price. The price you get for a good or service when you sell it.

Anskaffningspris – Cost price. The price you paid for a good or service when you purchased it.

Självständig – Independent.

Varaktighet – Permanent. Something that persists for a long time.

Vinstsyfte – Profit motive. Means that the economic advantage gained is the purpose and goal of an activity.

Prisbasbelopp – Price base amount. A set amount which is raised in relation to inflation and is often used in computations related to the national economy.

Kontant fakturering – Cash invoicing with receipts where a cash register is not used.

Offentlig plats – Public place. Means a road, street or square that is meant for and is accessible to the general public.

Marktillstånd – A permit to use a particular space at a particular place.

Obemannad – Unmanned, without any sales staff.

Ordningsstadga – A state or municipal regulation whose purpose is to maintain the peace in a place.

A close-up photograph of a person's hands working on a car wheel. The person is wearing a grey jacket and is using a power tool, possibly a torque wrench or impact wrench, on the lug nuts of a silver alloy wheel. The wheel features the BMW logo in the center. The tire is black with visible tread patterns. The background is slightly blurred, showing the car's body and some workshop elements. A diagonal purple overlay covers the left side of the image, where the text is placed.

**“My brother
and I – the
perfect
enterprise.”**

NOUZAD HUSSEIN



Nouzad became a used car dealer

Ever since he was a child, he's had a nose for business.

– If you can sell cars in one country, you can probably do it in all countries, Nouzad Hussein thought.

After having helped his friends buy and sell cars in his spare time, he has finally started his own business as a used car dealer.

When he lived in Baghdad, he used to change car every three months.

– “But I’ve never worked with cars as my job before, it was always only a hobby. I made money on maybe 70 per cent of my private car deals.”

He had a good life in Iraq, operated his own electronics import company.

– “I wore smart suits, classy watches and expensive perfumes and had a nice house. It was a very good life.” But then the war came. Because Nouzad had worked with the Americans, his life was threatened. He fled the country and ended up in Sweden.

Here, he's found it rather difficult to get work, and been unemployed for periods of time. But just like in Iraq, his free time has often involved cars. He has helped friends and relatives buy and fix up cars, often outdoors in a parking area.

The landlord where Nouzad lives owns a garage that all of his tenants can borrow free of charge. So whenever there has been an opportunity, Nouzad has tried to borrow it.

– “You can repair rust and engines outdoors. We have replaced timing belts outdoors. But to replace ball bearings, I want a garage.”

In Iraq, there was a whole different tradition of repairing cars on site using basic tools. The repairer went to the car that needed repairing instead of vice versa. Nouzad intends to do the same thing here. He has recently purchased a truck to transport cars. With this truck, he can go and pick up a car that needs repair and drive it to the workshop. He can also take on towing jobs, cheaper than other tow trucks.

– “I can weld and do all the practical stuff, but that is not really what I want. I’m better at doing business. My brother Firas was a mechanic in Baghdad. He is living here now too. And much better than I am at repairing cars. I thought, a used car dealer business would be perfect for Firas and I. We complement each other.”

Even now just after having registered the company, they have 30 or so cars for sale outside the workshop. For now, many of them are owned by relatives.

Nouzad’s interest in cars is genuine, so when he accompanies a relative to look at a car, he knows in his head exactly how much it will cost to fix the brakes of a Saab 9-5, or replace the cylinder head on a Renault, or the gearbox in a Golf. He knows how far he can go with the price before it isn’t worth it. That has allowed him to risk buying broken-down cars, cheaply. Many of the cars he now has for sale have been purchased with seized engines, or worn-out gearboxes. With these parts replaced, these cars are worth much more.

– “Many people know that my brother and I can fix cars and do good deals. Even though we have just started the business, we already have a lot of customers. It’s not a particular business that people go to, it’s a particular mechanic. Many people here in Växjö know that Firas is a good mechanic, and it doesn’t matter where he works. The difficult part might be getting all our relatives who have had free help to start paying.”

“I made money on maybe 70 per cent of my private car deals. I’ve always liked working with cars.”

Because they need to bring money into the company. The workshop premises alone costs SEK 9,000 per month plus VAT (moms), but it has an excellent oil separator and a great location right next to the big car breakers yard in Växjö. Easy to find, and easy to get hold of cheap parts.

Nouzad started his company as a limited company (*aktiebolag*) right from the outset. It would be dangerous to operate a used car business as a sole trader (*enskild firma*) with so much capital tied up in the cars, and with the risks involved in car repairs. If a big customer defaults on a payment to a sole trader, the business owner’s family economy can be at risk.

He purchased the equipment for the workshop second-hand, a little at a time. He also purchased good quality car hoists from Germany. The most expensive machine is a wheel aligner. He is yet to buy a balancing machine.

Nouzad thinks that they will make money from servicing, repairs, reconditioning, towing and selling cars.

– “I already want to employ an auto electrician. In two years, I estimate that we will have grown enough to be able to afford our own chamber for spray painting.”

Nouzad believes that other skilled repairers from Iraq for example could make their living by repairing and selling things in Sweden. Sweden has unfortunately become a throwaway society. This means that you can buy a repairable power lawnmower for almost nothing. Once repaired, they are worth much more.

– “Absolutely, I think there is money to be made in repairs in a number of areas, not just cars.”

What is your biggest concern now that the company has started?

– “I’m not concerned about my economy. I’m probably more worried about getting sick or injured. That would be dreadful right now.”

Nouzad and his wife are expecting their first child soon. The future looks bright in all respects. Hopeful. ■

Start now but start right

Not everyone wanting to sell their car needs to start a used car business. You can sell quite a few cars before it's time to think about registering a company. The same applies to selling food, bread, cakes or handicrafts. Testing out selling something you have made is counted as a hobby, and only becomes a business activity when you do it regularly and for the purpose of supporting yourself. So you don't need to have a company right from the start.

In fact, there is an intermediate step between a hobby activity and your own business: operating through what is called a self-employment company (*egenanställningsföretag*). More and more freelancers are now using this model. Using a self-employment company can be a useful intermediate stage that reduces the business operator's risks. Read more about self-employment companies on page 57.

Choosing the right form of business

The form of business that you or you and your partners choose is more important than you might first think. There is a big difference between operating as a sole trader, being the sole owner and deciding everything yourself, and operating a company with others where you are not alone in making the decisions, and where all of you should preferably agree on every decision.

Sole trader (*enskild firma*), trading partnership (*handelsbolag*), limited company (*aktiebolag*), and economic association (*ekonomisk förening*), sometimes also called an unincorporated association, are the most common forms for businesses in Sweden.

Sole trader

A sole trader might seem inexpensive and easy to operate. But it also has limitations. When a number of people operate a company together, they can complement each other. One person will be good at sales, another good with numbers and accounting, and yet another will be the product developer. As a sole trader, you have to shoulder all these roles yourself. Which can make it difficult to develop your business. You have only your own counsel during coffee breaks and when making big decisions.

On the other hand, it may feel safe and secure having full control over your business. You share directly in the enterprise's profits and losses. You have full personal liability. Your business's corporate identity number (*organisations-nummer*) is your own national registration number (*person-nummer*). This means that there is no dividing line between you as the owner and the business. Your own personal economy is one and the same as your business's economy. If your business goes bankrupt, this will become very apparent. In that case, full personal liability means that you would have to sell your own private property to pay your business's debts. If your sole trader business is operated within your family, you can distribute its profits between family members even if they are not employed by your business.

So conditions are quite good for operating a sole trader business as a family business in practice. You can also employ other people in a sole trader business.

Trading partnership

In a trading partnership (*handelsbolag*), you also have full personal liability. Here, at least two people operate the business together. Since you share personal liability, it's important to have a good relationship of trust with each other. You are jointly and severally liable for your business's debts. If your business partner buys an expensive machine on

credit, you are just as financially liable for this debt as your partner is.

But if you operate a business within your family that does not involve major financial risks, a trading partnership can be a good form of business. When the owners of the business run it together and all are active, in terms of administration it is often easier to operate as a trading partnership and share the profits than to operate the business as a sole trader with external employees. You manage the business together.

Limited company

A limited company (*aktiebolag*) is a good form of business if you have decided who the owners are going to be now and in the future. A limited company is a closed form of business. You decide who the shareholders are going to be right from the time it is formed, and thus who the owners are. The shareholders then have the right to sell their shares to someone else, but this right can be limited in the company's articles of association. Unlike an economic association, it is the number of shares that a person holds that determines their power and influence in the company. Those who hold many shares have more votes than those who hold fewer shares. If you want full control over who is and may become a shareholder, a limited company is a good form of business.

Where the number of shares is to be increased or shares are to be redistributed, this must be decided by the annual general meeting of shareholders (the AGM). It might require changes in the articles of association unless scope to create more shares or redistribute them differently is already in the articles of association.

In a limited company, you do not have full personal liability, unless you have opted to stand surety for your company. Otherwise, if the company goes bankrupt, it is separate from the shareholders' private economies. Like an eco-

economic association, a limited company is a separate legal person that is responsible for its own contracts, debts and obligations. Even so, shareholders and members of associations can be held personally liable if they commit an offence in the business's name (if they commit a crime), or if they neglect to pay tax, for example.

Economic association

Membership of associations is open, but often there are by-laws that regulate how open they actually are. For example, you must have worked for at least one year in the business to become a member, or membership costs something.

Economic associations assume that all members are active in some way in the association. Open membership also means that members can easily come and go. If you want everyone who works in the business to have the opportunity to take part in the decision-making (one member, one vote, at the AGM), then this is the obvious form of business for you. The main rule is that economic associations may not deny anyone membership if the person fulfils the requirements of membership in the association's by-laws. One the other hand, if you want part owners who only supply capital and who are not at all active, then a limited company is the more logical form for your business. You are not personally liable in an economic association. If the association ceases to exist, it does not generally impact your family economy. These two economies are separate. All you risk losing is your member contribution if the association is wound up.

The number of shares in an economic association is not determined in advance.

Non-profit association

It is also possible to organise your business as a non-profit association. But in that case the purpose must not be prof-

it-oriented – it must in fact be not for profit. But a non-profit association can also have employees. A non-profit association can also operate business activities, provided that the business activity is not for profit. Both non-profit associations and economic associations are what are termed open associations. Members can come and go.

You do not have personal financial liability for the association in this case either.

Variants

Individual variants of all forms of business occur, making them not quite like the basic form. In an economic association, you can have such a high member contribution that only the original members can afford to be part of it. In a limited company, you can have a cooperation agreement, the effect of which is that all shareholders will always have one vote. You can also have a limited company with special limitation on dividends. This makes it very similar to an economic association or a non-profit association, where any surplus is reinvested in the business.

You can also construct mixed forms, such as having subsidiaries. It's not uncommon for economic associations to own limited companies to manage the association's real estate for example.

Previously, the limited partnership (*kommanditbolag*) was also used, but this form of business is so rare nowadays that we have chosen not to include it here.

This has been a very brief description of the differences between the different forms of business that you can start, and if you would like to know more, the Swedish Agency for Economic and Regional Growth offers an excellent brochure: "*Att välja association för att driva företag tillsammans*" which can be downloaded free of charge from the Swedish Agency for Economic and Regional Growth's website (in Swedish only).

FORMS OF BUSINESS

	Sole trader	Trading partnership	Limited company	Economic association
Number of owners	One	Two or more	One or more	At least three
Purpose	Operate a business yourself	Operate a business together	As a rule, to get a return on invested capital, but a limited company may also have other purposes	Promote the economic interests of its members
Personal financial liability	Yes	Yes	No	No
Owners are active in the business	Yes	Yes	Can do, but not necessary	Yes
Set number of shareholders/owners	Yes	Yes	Yes, but shares can be redistributed	No
Start-up and registration cost	SEK 900 via the Verksamst.se e-service	SEK 900 via the Verksamst.se e-service	SEK 1,900 via the Verksamst.se e-service and at least SEK 50,000 in initial share capital	SEK 1,100 via the Verksamst.se e-service
Who makes decisions?	Owner decides alone.	Owners decide jointly, or severally subject to veto by other owners.	Shareholders at the AGM. Between AGMs, the company is administered by a Board of Directors. Auditors audit the Board's work	Members at the AGM. Between AGMs, the association is administered by a Board. Auditors audit the Board's work.

Some additional things to think about

- It is often easier for an economic association or a non-profit association to apply for public project funding than for a limited company, a trading partnership, or a sole trader. Many funds and foundations are only open to associations.
- It can be difficult for an economic association to get a bank loan, due to the lack of continuity among its owners. Members generally have not invested a great deal of money in the association, and they can easily leave it. So even if the bank likes and believes in the current Board of an economic association, they have no idea whether the same Board will still be there in one year's time.
- If you have a disability or functional impairment and you start a business, it's a good idea to join with others and start an economic association, because then you can get wage-subsidised employment (*lönebidraganställning*), even if you are on the Board of the association. You are eligible for wage-subsidised employment even if you are actively involved in running the business. But it's important to do things in the right order. You need to start by taking a job in the economic association, before becoming a member, and then a member of the Board.
- If you intend to have trainees, apprentices or offer practical placements as part of a course of study, this can be more difficult if you are operating as a sole trader. The Public Employment Service generally does not allow practical placements with sole traders.
- Bookkeeping requirements are the same for all forms of business. But if you operate as a sole trader with annual sales under SEK 3 million, you are only required to complete a simplified annual closing. This can save you money with your accounting firm.

- You can receive assistance to start a business from the Public Employment Service for all forms of business, not just sole trader. But make sure that the business is not already up and running when you apply for assistance. To be able to get assistance to start a business, you must have drawn up a business plan. This business plan must be approved by the Public Employment Service.

Some examples to guide you when choosing the form of business

You are starting a pizzeria

In this case, it might be wise to operate your business in the form of a limited company (*aktiebolag*), because there are significant risks with this kind of business, such as entering into a long-term lease that it might be difficult to break if your business doesn't go well. Or if you have purchased expensive machinery using borrowed money.

You want to start a business as a website designer

Because this type of business doesn't need expensive machinery (a computer is enough) or expensive premises, nor does it require stock, you could operate it as a sole trader (*enskild firma*) without taking any great risks.

You are starting a gym just for women

If you want to start a gym that targets immigrant women, you can apply for project funding from the European Social Fund (an EU fund), from your local savings bank foundation (*Sparbanksstiftelse*), or from the National Board of Health and Welfare (*Socialstyrelsen*), for example. In that case it might be wise to operate the gym in the form of a non-profit association (*ideell förening*), where you would be employed by the association. It is easier for an association to apply for project funding than a sole trader.

You and some others want to start a flea market

If several of you want to start a flea market together, and the primary purpose is to be able to support yourselves from the activity, it might be wise to start it as an economic association (*ekonomisk förening*). But if the purpose of the flea market is to donate money to Africa, then the most obvious form would be as a non-profit association (*ideell förening*).



GLOSSARY

Registrera firma – Register a business. This effectively starts the business and ensures that the person/persons registered are those who actually operate the business. The easiest way to register a business is via Verksamt.se.

Komplettera – Supplement. This means that you need to add additional information to an application for example.

Kapital – Assets. This means money or other assets.

Reparation – Repair. This means to restore something to being functional again.

Egenanställningsföretag – Self-employment company. You can borrow this kind of company's resources for the purposes of invoicing and other matters without needing start a business yourself, legally speaking.

Personligt ansvar – Personal liability – for the business's debts if the business is wound up (closed down).

Solidariskt ansvar – In the business context, this means joint and several liability, meaning that all those involved in the business can be held responsible as individuals for the business's debts, for example. All of the owners or board members must be prepared to take full responsibility for the business's debts or when problems arise. Any one of the individuals in the business can be held liable for its debts.

Öppet medlemskap – Open membership. This means that anyone has the right to be a member of the business entity. This is common in economic associations. Generally however, open membership is conditional in various ways, for example that anyone who has worked more than two years in the business can become a member.

Svb aktiebolag – Limited company with special limitation on dividends. Generally used for non-profit organisations.

Bolagsordning – Articles of association. This is the set of rules that apply to the company.

Vinstutdelningsbegränsning – Special limitation on dividends. This is a rule governing how much of the profit can be taken out of the business.

Överskottet återinvesteras – Surplus or profit is reinvested – done to strengthen the company, and no dividends are paid out.

Dotterbolag – Subsidiary. A company that is wholly owned by another company.

Funktionsnedsättning – A disability or functional impairment. Where some part of a person's body or senses function at a reduced level.

Lönebidragsanställning – Wage-subsidised employment. If your capacity to work is reduced due to a disability, your employer can receive a subsidy for your wage when you are employed.

Utbildningspraktik – This term refers to a practical placement as part of a course of study.

Läringsplats – Apprenticeship. This is where an apprentice learns a trade while working. Apprenticeship is a very old form of learning on the job, rather than by attending a course of study.

Stämman – The annual general meeting (AGM) for a company or association. This is the highest level decision-making meeting.

Redovisningsbyrå – Accounting firm. A company that helps other companies with their bookkeeping, finance and accounting.

Årsomsättning – Annual sales or annual turnover. The amount of money that comes into a business during a year.

Årsbokslut – Annual accounts. The end of the current recording of transactions for a financial year.

Ägarkontinuitet – Owner continuity. Having the same owners of a business for a long period of time.

Bokföringsskyldighet – The requirement to maintain accounting records. All business owners are required to maintain accounting records, which means:

- Current recording all business transactions so that they can be presented in order of registration (day book) and in systematic order (general ledger).
- Ensuring that there are supporting vouchers (receipts, invoices, etc.) for all accounting records.
- Archiving the accounting documentation in an orderly and secure way within the country for at least seven years. Bear in mind that even information on diskettes, CDs and hard disks can count as accounting documentation.
- Preparing annual accounts or an annual report.



**“Remember
hygiene. We’re
working with
food here.”**

ALI ABDULGABAR



Ali operates a falafel wagon

Ali mixes the ground chickpeas with a deft hand, forming the falafel into nice round balls, deep-frying them and rolling them up inside flat bread with lettuce, tomato and onion. He's been operating his falafel wagon for seven years. He knows exactly how this type of business works.

Ali Abdulgabar bought an empty wagon when he started out. And then he fitted it out himself. He started by looking at pictures of how other fast food wagons were built and fitted out to get ideas. He found a lot of the equipment he needed on Blocket (an online buy-sell site).

It was important to fit it out to comply with the National Food Agency Sweden's requirements for good hygiene. Meat must be kept separate from vegetables. Ali stores meat in a freezer and vegetables in a fridge. Empty cartons and rubbish must never be kept close to food. Ali stores these kinds of things outside the wagon.

It must be possible to wash your hands, and it must be easy to keep the wagon clean, which means preferably smooth surfaces on benches, walls and other areas.

– “I scrub the floor every day, clean the benches and work surfaces with a cloth. You have to keep things neat and clean when you work with food.”

The legislation also requires a toilet for workers. Ali uses the university's toilets. They are quite close to him.

He learned about food hygiene at a course run by the municipality. It's important to really know this well, because if anyone should become sick from the food, there would be a big risk of gaining a bad reputation and having to close down. It's also important to show the municipality

that you are managing everything properly when they visit unannounced. They do that every year.

An important issue is finding a good location, a good place for your fast food wagon to stand. Because a fast food wagon often requires 16 or 32 amp electricity supply, you need your own electric power distribution cabinet on the street. So a fast food wagon is not as mobile as you might think. If you want a mobile fast food wagon, you should purchase kitchen equipment that runs on LPG (bottled gas). But most fast food wagons need an electricity distribution cabinet and a fixed location.

Ali started out in a rather bad location, and then struggled hard to find a better one. Finally, he succeeded. His wagon now stands next to the bus stop outside the main entrance to Linnaeus University. Thousands of students pass by here every day.

To get a good location, you need to work at several levels simultaneously. You need to contact the municipality for suggestions from them, and also ask private property owners for permission to stand on their land. In Ali's case, he needed help from local politicians to get his location at the university campus. A politician pointed out to the municipal real estate company that owns the buildings at the campus that if we want people to be able to support themselves, we need to provide locations for mobile canteens and the like. "If we say no to fast food wagons, we are accepting that enterprising individuals will have to live off handouts from social services."

Finally they relented, and Ali got a permit to locate his fast food wagon on campus.

He serves food wearing neat, black work clothes, is always pleasant and friendly to his customers, puts on clean plastic gloves every time he puts salad in a wrap. Customers can see that everything is clean and neat around him. This is almost as important as the food tasting good.

“There is room for many more fast food wagons. But we can’t all sell the same kind of food.”

Ali’s concern right now is that the municipality has given permits for two more falafel wagons on the campus. There is a risk that this might force one or more of them out of business.

– “It’s no problem that there are several fast food wagons in the same area, provided that they sell different kinds of food,” he says. “But currently we don’t, and that worries me.”

Ali has purchased another wagon and is now thinking about working with his wife, selling food from two different wagons, possibly with different menus. It can often be more profitable to run a business within the family. It’s hard to afford overtime rates and allowances for working unsocial hours if you have employed staff.

Ali always works Friday and Saturday nights at the university campus, when many students are at parties and come home hungry in the small hours of the night. Unfortunately, he can’t sell as much during the summer and Christmas holidays when all the students are away.

You also have to think of things like this when you choose the location for your wagon. “Here on campus, I can only sell food for eight months of the year.”



It's a hard life operating a falafel wagon; it's cold in the wagon in the winter with the flap open, and carrying water in buckets is heavy.

But Ali is happy anyway. For him, his fast food wagons are the start of something bigger. He's already purchased wagon number two. ■

The art of building and fitting out your own fast food wagon or mobile canteen

EU legislation applies to the area of food. This means that if you see a great looking mobile canteen in Germany, you can count on it complying with the same legislation as ours. So it should be feasible here too.

But if you want to build and fit out your own fast food wagon or mobile canteen, there are lots of things to consider. It's tricky working out a good layout when the space is so limited. It's difficult, but not impossible. It must be possible to implement a self-monitoring programme. The most fundamental things when fitting out or building a fast food wagon yourself are:

- It must be easy to clean. It must be possible to clean all areas. The inside, workbenches and equipment must be made of suitable material. In other words, it must be waterproof, flat and easy to clean.
- You must be able to clean your equipment on site.
- The wagon must be designed to avoid crossing work flows. What is clean must not come in contact with what is dirty.
- There must be good storage areas for food and equipment, suitable for the quantity and type of food to be stored – refrigerator for chilled goods, freezer for frozen goods and dry storage for dry goods. For example, 'dirty' food such as root vegetables and green vegetables must be stored separately from other uncovered foods.

- Raw ingredients and cooked food must be stored separately.
- Cleaning equipment needs a separate storage space to avoid contaminants.
- Rubbish and packaging also needs its own separate area.
- You have to have a plan for protecting the wagon from pests and vermin.
- You must have access to clean water, but it can come from a large plastic drum.
- You must either have a toilet in the wagon or locate the wagon where there is access to a toilet.
- You must be able to wash your hands with clean water and soap, with access to paper towels for drying your hands.

How to get a good location for a fast food wagon

Location is very important to the success of a hot dog kiosk or a falafel wagon. So how do you get the best location in town?

Go to your municipality and ask the municipal traffic department if they have prepared and marked out specific locations for fast food wagons. If they haven't, take a tour of the town and mark on a map all the locations where you would like to put your wagon. Then go back to the municipality and ask for the names and addresses of the owners of these locations.

This kind of help from the municipality does not cost anything. Generally, they have computerised maps where you can simply mark the locations on the screen to find out who owns the land. You don't have to locate your wagon on municipal land – private land is OK too. But you must have permission from the owner of the land. You need a permit from the municipality and the Police if you want to set up in

a public place. And lastly, you need to register with the municipal Office of the Environment and Health Protection before you are permitted to start selling food.

GLOSSARY

Livsmedelshygien – Food hygiene. This is about preventing bacteria and diseases when working with food.

Övertidsersättning – Overtime rate. When an employee works outside the normal working hours in his or her employment contract, they have the right to a higher rate of pay which is called overtime rate.

Förvaringsutrymme – Storage space.

Råvaror – Raw ingredients. They will be prepared and combined before serving. **Tillredda livsmedel** – Prepared food. Food that has been processed and prepared in some way.

Åtskilda/Separat – Separated. Not kept together.

Föroreningar – Contaminants. Something that makes food or water no longer suitable for human consumption.

Emballage – Packaging.

Skadedjur – Pests or vermin. Animals and insects that cause damage such as rats and bedbugs.







**“You
must give
100 per cent
every day.
You can't appear
hesitant with
customers.”**

MOHSEN DHARABI

Mohsen runs his own plumbing business

It's certainly not easy to establish yourself as a tradesperson in a new country, but it is possible. Plumber Mohsen Dharabi from Iran is now working as a plumber in Sweden with his own firm. The road was long, but business is now going well.

Although he had worked as a plumber for many years in Iran, he was told that he had to have a certificate from a Swedish course to get work as a plumber in Sweden. So for two years, Mohsen studied to become a Swedish plumber via a course in Jönköping. His family lived in Växjö. Those were two tough years, when the children were small. It was also expensive to live in two places.

– “For almost 2 years I lived in Jönköping, just to get that piece of paper. I already knew how to weld, solder, all of it, because I'd worked in Iran. But they said I had to have the certificate to be able to work.” After completing the course, no one has asked for his certificate.”

Mohsen wishes that there were validation processes, so that people didn't have to study for something they already know how to do.

Mohsen then got work with a firm that installed bathrooms, and then at a plumbing wholesaler. But the whole time he had the idea of starting his own business. When he visited customers through the plumbing wholesaler, after a while he started mentioning that he was going to start his own business and handed out notes with his own telephone number. After a year with the wholesaler, it was time to take the plunge. Three tough years followed.

Because it took time to build up his own customer base. Luckily, he was able to continue working for the wholesaler, doing jobs for them through his own firm.

– “It’s almost impossible to start a business straight off. You have to start by working for someone else or at least have connections to someone else to get help building up a contact network.”

Mohsen chose a good name for his firm, Teleborgs VVS, based on the suburb where he lives.

– “I printed flyers. My family distributed them all over Teleborg. Nice-looking flyers.”

Mohsen had built a fast-food stall for his wife to work in. So before his plumbing business was well-established, when there were no plumbing jobs, he helped her out in the fast-food stall.

– “Sometimes I worked from 7 am to 5 pm with plumbing jobs, came home, showered and then worked at the fast-food stall from 6 to 10 pm, and sometimes on the weekends from 11 pm to 4 am. I could do that when I was young, now I don’t really know how I did it. But we were proud, both my wife and I. We each had our own business and even if it was hard, we were supporting ourselves.”

Maybe Swedish-born tradesmen can afford to be a bit late for a job, but Mohsen felt that the only chance to establish himself was high-quality on all fronts.

– “I was there at 8 am if that’s what we decided, not 10 past 8. I always did excellent work, and cleaned up thoroughly afterwards.”

And if someone called with a problem at the weekend or evenings, he took the job.

– “You have to always be pleasant and open when customers call. It doesn’t matter if it’s 3 am. If a lady calls on a Saturday night, I have to be willing to help. And I still do. Once I left a birthday party in Gothenburg and drove 220 km to help a customer with a leaking pipe. Every customer is gold. Small jobs are as important as big ones.”

"Sometimes I worked from 7 am to 5 pm with plumbing jobs, came home, showed and then worked at the fast-food stall from 6 to 10 pm."

You really have to have this attitude. Because if you don't do good work and you're not really reliable, you will lose everything. You must give 100 per cent every day. You can't appear hesitant with customers either. You have to have all the knowledge required on every call-out."

He has now had his business for 18 years. Nowadays he has a secure, regular income with many regular customers. In the last 10 years, Mohsen has also been the general contractor for bathroom renovations. He organises the whole job with the carpenters, electricians and tilers. And Mohsen's wife has long since left the fast-food stall. She is now working as an assistant nurse in the public health system.

– "We have a good life in Sweden. But we have worked hard for it." ■

GLOSSARY

Etablera sig – To establish yourself - become known in the market.

Validering – Validation, meaning to verify and certify a person's knowledge and skills in a trade.

Kundkrets – Customer base. The group of customers that a business has.

Generalentreprenör – General contractor. A company that takes on the principal responsibility for a large project where other enterprises are also actively involved, such as in a building construction.

Branschorganisation – Industry or trade organisation. An association of members within a specific industry or trade.

Branschrekommendationer – Industry or trade recommendations. Agreements about how individuals ought to work in a given industry or trade.

Skadestånd – Damages. Liability to pay if something goes wrong, or you have breached a term in a contract.

Konstruktionsfel – Design error. When a design does not work out as intended in a house or building under construction.

Do you have to complete a course to work as a tradesperson in Sweden?

Actually, you don't. You can start your own business as a carpenter or bricklayer or almost anything without having completed a course. The only problem might be that customers do not want to employ a tradesperson who has not completed a course that includes the rules and regulations that apply in Sweden. This is because the customer might encounter problems. Their insurance may not apply for example if electrical cabling has been done in a way that is not permitted in Sweden, or if water damage occurs in a bathroom not built to the industry's most recent recommendations. The industry or trade organisation usually grants permits and licenses for an industry or trade.

For building an outhouse, a veranda, a garage, a set of steps or similar, no formal education or training is required. But if you build in a design error that causes the customer problems, you may be liable to pay damages. That is why it's important to have good business insurance cover.

If you are a skilled tradesman but have not completed a course of training for Swedish conditions, you can become familiar with the industry or trade guidelines in various areas yourself. These change all the time, so everyone needs to keep up-to-date and comply with new guidelines as they are published. So it doesn't matter if you are trained in Sweden or another country. Everyone has to read and learn about the new materials and directives for their industry or trade. For example, the industry organisation GVK has industry guidelines for building a waterproof bathroom. The requirements to comply with industry standards are particularly strict when it comes to bathrooms. A badly built bathroom that results in water damage costs a lot of money to fix.

You can study the industry guidelines at www.gvk.se (in Swedish only)

A close-up photograph of a person's hands working on a bicycle. The person is wearing a blue and white striped shirt. They are using a tool to adjust the front light or bell of the bicycle. The background is blurred, showing parts of the bicycle frame and wheels. A large, dark purple diagonal overlay covers the left side of the image, containing the text.

**“People
think that
it’s easy to fix
bicycles
It isn’t.”**

BERHANE TEKIE



In Berhane's bicycle repair shop

Berhane Tekie was an engineer in his homeland of Eritrea. When he came to Sweden, he started repairing bicycles, first as a trainee in the Red Cross bicycle repair shop, and in his own time as a repairer at home on his balcony. After a while, he heard about a vacant shop.

Smålands cykel has now been a household name in Växjö for 20 years. Berhane Tekie's bicycle repair shop on Västra Esplanaden is probably Sweden's tidiest and cleanest. Nothing left out on benches and one repair at a time. The shop, which was formerly a furniture shop, is nicely decorated with many wooden features.

In his first years in Sweden, he repaired bicycles at home in the kitchen, until Berhane's wife queried if that was the proper function of a kitchen! So he moved his workshop to the balcony, and then to their basement storage space. During the days, once he had completed his Swedish for immigrants study (SFI), he was able to complete a vocational training course to become a vehicle mechanic. But the labour market was tough in the early 1990s, so Berhane thought about starting his own business early on. He heard about a vacant shop, a small furniture shop, from his hairdresser. Berhane's start-up capital came from selling all the bicycles he purchased and repaired at home in the basement. That way he didn't need a loan to start his business. He renovated the shop himself with the help of a carpenter. He worked almost around-the-clock in those first years, repairing bicycles by day and renovating the shop in the evenings. He never got any financial support from the Public Employment Service.

Despite this, in all those years he has managed to pay himself a “normal salary” from his business. But it's not easy operating a bicycle repair shop.

– “No, it's not easy to get rich doing this. But you can make a decent living. People also think the work itself is simple, that it's easy to fix bicycles. It isn't. It's quite tricky repairing the brakes in a 7-speed rear hub. It takes at least a year to train a new repairer. And there are no actual courses available for this.”

Berhane has seen bicycle repair shops in Växjö come and go in his 25 years in the business.

– “The newspapers say that more and more people everywhere are interested in cycling. But I haven't noticed that. I've seen eight bicycle shops close down in my 25 years in Växjö. Some of them went bankrupt. Many probably thought that this business was easier than it actually is.”

What do you make the most money from? Repairs or sales?

– “Repairs are the most important income; there you can make a good hourly rate. Selling bicycle seats and bicycles doesn't generate much income. The competition is really tough for these. You really need to be a chain store to sell new bicycles. Since Biltema opened its big store here a few years ago, all the rest of us have sold fewer parts and bicycles. Sales have gradually dropped off. As I said before, this is a tough business.”

But a bicycle repair shop is expected to have all the spare parts you can think of, different types of tyres, sizes and now even colours, seats for different kinds of bikes, helmets, bags and accessories.

– “Customers must always be able to have their bike with all the equipment just the way they want.”

“Since Biltema opened its big store here a few years ago, all the rest of us have sold fewer parts and fewer bicycles. This is a tough business.”

In that sense, you could compare a bicycle repair shop to a hairdresser. Many people have the same bicycle repairer and hairdresser all their lives. Berhane says that is why it takes at least five years to become established. Another similarity with a hairdressing salon is that many people come into the shop just for a chat. It's a social kind of place.

Anyone starting a bicycle repair shop also needs to be aware that this business is seasonal. It's difficult to take holidays in the middle of summer when people are bicycling the most.

– “At the most I have been able to take an involuntary vacation in winter when there is a lot of snow and less to do in the workshop.”



Do you think your children and grandchildren will take over the business?

– “No, absolutely not. My daughter is studying at university. And I would have liked to do that too, if I’d had the opportunity.”

Do you cycle yourself at all?

– “Absolutely. I love cycling. But old guys like me need to take it easy in traffic. My favourite bicycle is an older ladies bike.” ■

Finding premises

There is a good website, www.vakant.nu, for those looking for premises, where almost all private and public real estate owners in Sweden advertise their vacant premises.

You can also search locally via Blocket, or by advertising in your local newspaper. The latter is often the best way surprisingly.

Another alternative is to go around and find vacant premises in your town, then go to the municipality’s real estate department and ask for the name and telephone number of the owner of the premises.

GLOSSARY

Arbetsmarknaden – Labour market. Supply and demand for labour.

Grundplåt – Start-up capital.

Etablerad – Established. Recognised, well-known to customers and others.

Försäljningen dalar – Sales dropped off. This means that sales became fewer.



**“Many more
immigrant
women could
start and run
a business.”**

LAYLA ABBAS LEFTA



Maria, Layla and Nasim started a salon together

– “Many more immigrant women could start and run a business,” says Layla Abbas Lefta. Layla, Maria and Nasim joined forces and opened *Guldsaxen*, a full-service salon for beauty, hairdressing and skincare.

The idea behind *Guldsaxen* grew over several years. When hairdresser Layla came to Sweden, the Public Employment Service said she could do something else than cut hair.

– “You can’t become a hairdresser straight away, they said. Why not, I said. They wanted me to work as a cleaner. But I’m a hairdresser, not a cleaner. In Iraq, I worked as a hairdresser. But the Employment Service didn’t think you could start a salon immediately. So they kept saying that I should do something else.”

But right from the time she arrived in Sweden, Layla had been cutting her friends’ hair at home in her kitchen.

– “I used to take SEK 30 per haircut. Just to get started with something. My customers also thought I should open my own salon. I couldn’t really continue in the kitchen.”

Layla got help from Macken’s business centre in finding premises. At first it was difficult. But then a caretaker at the municipal housing corporation Våxjöhem had a brilliant idea. Våxjöhem was having problems with a large laundry room which was intended to serve the entire housing estate, and was always in a mess – old clothes, empty laundry detergent packaging.

The caretaker’s idea was to set up a partition wall to create a separate room in the laundry room and build a little salon

**“It’s hard running
a salon all alone.”**

in this room, so that Layla could use the premises at no charge in return for keeping the laundry room clean and tidy. And it was settled like that.

For three years, Layla operated her salon in the laundry room with the aid of a self-employment company. She didn’t have her own company then. At first her bookings were few. But gradually she got more and more. After three years, the time was ripe to open her own proper salon in the form of an economic association along with two friends, Maria Tallal and Nasim Majed Hassan.

– “It’s hard running a salon all alone. You have to answer the phone when you are serving a customer. Customers have to wait while you clean up. And so on. It’s much easier if you can share these tasks. And you can also serve more customers, you don’t need to say no. There are more appointment times to choose from if you have more than one hairdresser.”

– When we started the economic association, I had all the customers and the others had none. But now they actually ask for Maria too. That’s great.” (Nasim has been on parental leave in the first year of their joint venture.)

But obviously, being many is not without its complications. Sometimes they have different opinions.

– “So far it’s gone well,” says Maria. “Everyone is interested in the money side of things. That is important.”

It wasn’t obvious from the start that it would be Layla, Maria and Nasim together. It is how things have turned out. Initially, more people were interested.

– “It becomes clear after a while who you find it easy to work with. It is really important to operate an economic association with people that you like.”

What is important to succeed as a hairdresser in Sweden?

– “To like talking to people. That is important. You have to talk and talk and talk so that everyone knows that you exist. Half the experience of going to a hairdresser is being able to talk. So of course it’s important to know the language.”

Layla was in a hurry to start working for herself. She “didn’t have time” to complete SFI studies. But she is glad for what she managed to pick up anyway. She has learned the rest herself, mainly in her salon.

– “Here of course we talk all day long. You get very good at Swedish from starting your own business.”

And it’s important to actually understand what your customers are saying and thinking, in particular what they want with their hair.” Layla used to write down difficult words and Google them when she’d finished the haircut.

Right from the start, Layla has worked in a veil. She wants her veil. And it’s actually not a problem.

– “My Swedish customers have learnt that I have a veil. It makes no difference.”

In five years?

– “We will still be in the same premises, but have even more customers. We might focus more on cutting children’s hair. And men’s hair too.” ■

How a self-employment company works

With the aid of a self-employment company, you don't ever need to risk losing your income support from social services. In many municipalities, you might otherwise risk losing that assistance the same day that you register a business.

There are a number of different self-employment companies in Sweden including Frilansfinans, Bolagskraft, Bolagsbolaget, Uppdragshuset and Qbolaget.

How these companies work

Let's say you are a carpenter and get a job to build a fence around the garden of a house. It's difficult for you to do the job if you do not have a company that can send an invoice when the job is done. You might not want to become a sole trader either, because then you would risk losing your municipal income support, or your unemployment fund benefit (*A-kassa*). It's important not to lose basic social security in the form of income support or unemployment benefits if that job is the only one and then you go back to being unemployed.

The owners of the house who want you to build the fence would also have a problem. They could employ you of course, without having a company themselves, but they would probably find that difficult and complicated.

They just want a straightforward invoice from you. No fuss.

With the aid of a self-employment company, all these problems can be solved.

If you contact the self-employment company before you start the job, they can insure you, and send an invoice to the customer when the job is done. They pay your tax and social security contributions, and then pay you for the work you have done. Self-employment companies usually charge a commission of a few percent of the value of the invoice. In other words, you borrow the company, or you could say

that you become an employee of the self-employment company to carry out the carpentry job. At the end of the year, the company sends you a statement of earnings and tax deducted, just like other employees.

For the unemployed, the self-employment company represents a relatively new opportunity in Sweden. These companies have only existed here for around 10 years.

When you use a self-employment company, you can also deduct your expenses. You might have purchased work clothes and a hammer when you built the fence. If you save the receipts, you can claim a tax deduction for these. The self-employment company can also report VAT for your purchases and for the work you do. You don't need to know anything about administration and bookkeeping, because this is handled by the self-employment company's staff.

If you are receiving income support from your municipality, you must provide an account of the pay you receive from the self-employment company to your case manager (*handläggare*) at the municipality. The pay you receive is entirely based on how your business activities have gone. So you cannot count on the same income month after month. You cannot count on getting a minimum income or similar either. In terms of your pay, as an entrepreneur, you live according to how well your business is going.

Generally, you cannot claim deductions for major investments with a self-employment company – only for direct expenses required to carry out an assignment or job. So generally you cannot claim deductions for capital goods such as car or computer via a self-employment company, or for any other big investments. It is not generally permitted to maintain stock in self-employment companies. You cannot either take out a loan for your business when using a self-employment company. You can use a self-employment company for as long as you like, but most people use this kind of company for a short time prior to starting their own business for real. You cannot receive a grant to start your

own business while working for a self-employment company. But once you see that your enterprise is starting to go well, you can apply for a business start-up grant from the Public Employment Service and start a business for real.

Fitting out your own hairdressing salon

It's possible to set up a hairdressing salon in the premises available to you, used for something else previously. But it's important to do things right, right from the outset. This is because there are risks in operating a hairdressing salon, for you and your customers.

Poor hygiene in a salon can result in customers becoming ill, getting viruses and other contagious diseases. After all, you are working with skin and people's bodies.

If the work environment is not good, there is also a risk that you and your employees could injure yourselves or suffer repetitive strain injuries. It's well known in the industry that many hairdressers develop problems in the neck, shoulders and joints.

For this reason, the community places certain demands on hairdressing salons. Hairdressers are not subject to the duty to notify the municipality regarding their business, such as restaurants are. But the municipalities do have a similar duty to inspect as for restaurants. The municipal Office of the Environment and Health Protection has the right to conduct unannounced inspections in order to check the hygiene conditions in hairdressing salons. The rationale is that the municipality's residents ought not to get sick from going to the hairdresser – this is a municipal responsibility.

The Swedish Work Environment Authority (*Arbetsmiljöverket*) is also entitled to conduct unannounced inspections. The operator of a hairdressing salon can be subject to orders or injunctions if the salon's hygiene and work environment are not up to standard.

For all these reasons, it's best to build in the right way, right from the start.

Here are some of the most important points that the Swedish Work Environment Authority and the municipal Office for the Environment and Health Protection take note of when they visit hairdressing salons:

- There must be a hand basin, so that the hairdressers can wash their hands after every encounter with a customer.
- There must be a separate sink for cleaning the tools used in the salon.
- The premises must be easy to clean. Don't have a lot of clutter or materials that make it difficult to maintain good hygiene in the salon.



- You need room for a good customer chair that you can adjust in height and tilt. You also need enough space to easily move around the chair yourself. The Swedish Work Environment Authority's recommendation for hairdressers to have sufficient room to work are free space of at least 110 cm between customer chairs, and at least 70 cm between customer chairs and walls.
- You need a dry storage area to store sterile and clean products, free of dust and moisture. You also need a special locker or similar for work clothes and your hairdressers' own clothes.
- You must have a toilet.
- There must be special areas/storage spaces for consumables, tools, dirty washing, etc. Sterile and clean products are to be stored in a dry place, free of dust and moisture.
- You must have adequate ventilation in the premises. How to do this will depend on how big the premises are, the maximum number of people in the salon at any one time, and how much chemicals are used. Get this information from the Swedish Work Environment Authority in the district where you operate the salon. Often, hairdressing salons have both general ventilation and local exhaust ventilation for areas where you work with chemicals.
- You need to have a special area for cleaning equipment with a slops sink and hot and cold water in order to maintain good hygiene when cleaning.
- You need good lighting in the premises. The Swedish Work Environment Authority's recommendation for hairdressing is ambient lighting of at least 200 lux and task lighting of at least 500 lux.
- As a hairdresser, you have a five times greater risk than other people of developing eczema. Many hairdressers develop such big problems with hand eczema that they cannot continue their job.

- The products used for bleaching, colouring and perming hair contain many dangerous chemicals. You should therefore always use gloves and hand cream.
- Another common problem for hairdressers is pain in the feet, legs, back, neck and wrists. They are on their feet many hours every day, doing the same things. Make sure that you take breaks, so that your muscles get a chance to relax. Use a height adjustable chair for customers so that you can work at a comfortable height. Stretch your muscles between customers. Make sure that you go to a gym or do some sort of sport regularly. Many hairdressers develop such serious joint pain that they have to stop working.
- Have a non-slip floor that is easy to clean.
- The premises must be cleaned daily. Dust and dirt must not be left in corners or on difficult-to-clean surfaces. Bacteria grow rapidly.
- You must have good routines for cleaning scissors, combs, etc. They must be sterilised between customers.
- You must also have good routines for managing pests and vermin, silverfish, head lice, bedbugs, etc.
- The salon must have good routines for managing waste. Waste must never be kept near customers.
- The haircare products you use can cause allergies. They must be labelled in Swedish so that the customer can always read what substances they contain.

Read more in the Swedish Work Environment Authority's brochure: "*Bra arbetsmiljö för frisörer*" (only available in Swedish). You can download the brochure from the Swedish Work Environment Authority's website, www.av.se, under *Publikationer*.

You are responsible for the work environment

From the moment you employ a person in your company, you become the employer who is responsible for their work environment. If you don't provide a safe work environment, you may be held criminally liable.

So as an entrepreneur, you must be well aware of the work environment for your employees.

All workplaces must be safe. If something faulty or dangerous is detected in the workplace, as the employer you must rectify it immediately. If you fail to take action and there is subsequently an accident, you may be charged with a criminal offence and convicted.

In some instances, it may be difficult to rectify the problem immediately, for example if there is no alternative to a narrow steep staircase to the basement. In such instances, you must at least prepare an action plan for how you intend to rectify the problem.

As an employer, you are also responsible for your employees receiving the right instructions for the job, and informing them about any risks that may exist. You are also obliged to put up information signs stating the name of the safety officer, or names of the members of the safety committee, for the workplace. It is also your responsibility to ensure that every employee has a reasonable workload. In addition, you must ensure that any machinery and chemicals are used safely.

A safety officer must be appointed for every workplace with five or more employees.

Read more about the employer's work environment responsibilities in the Swedish Work Environment Authority's brochure: "Du har ansvar för arbetsmiljön" (available in Swedish only). This brochure can be downloaded from the Swedish Work Environment Authority's website.

A hairdressing salon in your home

You are permitted to give haircuts in your home, or in the home of your customer. But the hygiene requirements are just as strict as in a 'real' salon:

- The room used for the haircut must not be a thoroughfare. It ought to be separate from the rest of the home.
- The room should have its own area for cleaning tools.
- It should also have a separate customer toilet.
- You must handle and care for your equipment as hygienically as in any salon. Dust and dirt must not be left in corners or on difficult-to-clean surfaces. The requirements are no less strict just because you are operating the salon in your home.



GLOSSARY

Uppgörelse – To settle something. To sign a contract.

Försörjningsstöd – Income support. The financial assistance provided by the municipality to people with very low or no income.

Momsredovisning – VAT (MOMS) accounting. The calculation of the difference between input and output VAT in a business.

Administration – Management, office work.

Försäljningsvärde – Market value. The amount that the customer is prepared to pay for a good.

Investeringar – Investments. Purchases of a more durable nature for a household or business.

Varulager – Stock or stock-in-trade.

Kapitalvaror – Capital goods. More valuable goods that are retained or consumed slowly.

Tillsynsplikt – Duty to inspect. The relevant government agency's duty to visit and inspect a type of business.

Oanmäld inspektion – Unannounced inspection. A lightning visit by a government agency, not notified in advance.

Bransch – Industry or trade.

Anmälningsplikt – Duty to notify. Your duty to notify the relevant government agency when you begin or change an activity.

Föreläggande – Order or Injunction. Issued by a court requiring you to do something, with consequences for non-compliance.

Förbrukningsartiklar – Consumables. Generally goods of low value that are consumed rapidly.

Skyddsombud – Safety officer. The employees' representative in matters of health and safety.





**“You must
take good care
of your customers.
That’s where
your whole
security lies.”**

WICHAIN SANSAMAK

Wichain opened her own cleaning business

– “There used to be many people earning money from my work. Now it’s just me.”

Wichain Sansamak started her own cleaning business. Wichain previously worked for a big Swedish cleaning company with branches in many cities and towns.

She had many bosses, and many people living off the work of herself and other cleaners.

– “It was actually my customers who suggested I start my own business instead.”

At first, she started her own cleaning business quietly and on the side of her regular cleaning job, then she made the leap over to her own business.

– “All the jobs I’ve got have come to me through word-of-mouth. When I started the business, I thought I should advertise. I printed 200 information flyers and distributed them in mailboxes. But no one called. You have to understand that word-of-mouth is the method that applies when people are going to risk giving you the keys to their homes to come and clean.”

Wichain thinks that this is how her work differs from many other lines of business. Good contact with customers is everything when you clean.

– “You must take good care of your customers. That’s where your whole security lies when you work with RUT (Cleaning, Maintenance, Laundry) services.”

This creates a problem in the summer. When Wichain is on holidays, she has to employ a substitute. And it's important that the substitute is as good as she is herself. Otherwise her customers react immediately, and say that they would rather do the cleaning themselves and that is a problem. She has experienced this once.

It's important for anyone doing cleaning for the elderly to be sociable.

– “Sometimes they would rather pay me to have a coffee and chat with them than to clean. I can definitely say that if you want to improve your Swedish, there's no better job than cleaning for elderly Swedes. We talk the whole time.”

Isn't it difficult knowing all the RUT and ROT (Repairs, Conversion, Extension) rules?

– “I don't need to know everything. My accounting firm handles the administration of RUT services. They know how it works. My accountant is great.”

“If you want to improve your Swedish, there's no better job than cleaning for elderly Swedes. We talk the whole time.”



When she started out, she had four customers. Now, two years later, she has 13. She mostly cleans private houses. The growth has come entirely via word-of-mouth; customers recommending Wichain to each other.

She would rather not work more than 30 hours per week. She doesn't want to get worn out. "When you clean for a living, you have to be careful with your body.

– "Sometimes I might invoice more than SEK 50,000 in a month. I'm very satisfied with that."

She hasn't needed to take any bank loans. Her only big investment has been a nice electric bike that she uses to travel between jobs. All you need to own otherwise is a good vacuum cleaner and some scrubbing and cleaning equipment. When you clean in other people's homes, you generally use their own cleaning equipment.

– "I like cleaning. I have no boss. I'm free. And to date, my customers have never complained about me."

Do you have any dreams for the future?

– "I'd like to buy a Thai food wagon, and start selling food in addition to my cleaning job. That would be easier on my body. Sometimes I have some pain. Unfortunately, cleaning does take its toll on the body. I'm planning to buy the wagon already this spring." ■

GLOSSARY

Mun mot munmetoden – Word-of-mouth method. Where people get tips from each other not through advertising.

Kundkontakter – Customer relations. The contact you develop with customers. **Filialer** – Branches of a business outside its main office.

Subventionering – Subsidies. A form of financial support.

Hushållstjänster – Household services. Work that is done for households such as cleaning.

RUT (Cleaning, Maintenance, Laundry) and ROT (Repairs, Conversion, Extension)

All business and tradespeople who work for households can utilise RUT and ROT tax deductions to give their customers better terms. You must notify the Swedish Tax Agency of the RUT and ROT jobs you have carried out, and register the customer's name, address and national registration number. The customer does not do any of this. The customer merely gets a notice sent home to them that the cost of the work has been subsidised by a certain percentage by the Swedish Tax Agency. You then receive a payment from the Swedish Tax Agency corresponding to this subsidy. The rules for deductions change from time to time. You can read more about the current rules for RUT and ROT deductions at www.skatteverket.se.


ROT

The ROT deduction is for repairs, conversion and extension works in residential homes. It does not apply to new construction of buildings. It does not either apply to extensions to new buildings. Concrete examples of what the ROT deduction covers are: building a veranda or balcony, landscaping in a garden, bathroom renovation, balcony renovation, the installation of a downhole heat exchanger (for geothermal heating), replacement of doors, kitchen renovation, new electric wiring, fibre-optic cabling, the installation of district heating, replacement of windows, garage renovation, wallpapering, roof replacement, replacement of pipes and drains.

RUT

The RUT deduction is for household services such as cleaning, maintenance, laundry, window cleaning, hedge clipping, weeding, mowing, digging over garden beds, or turning over compost.





**“I joke a lot
and talk to my
customers. So
that they enjoy
coming here.”**

HALA BAYDOUN

Hala started Mum's cafe

Hala Baydoun started out selling her food from a table at the market in Växjö. She came back every week and got more and more customers. Now she runs her own café restaurant, *Mammornas kafé* (Mum's café), in the House of Emigrants i Växjö.

– “It was great for me to start out in the market. That was where I learned which dishes my customers wanted. It's where I was able to build a customer base who then followed me when I opened the café.”

At first she sold sambusas (small samosas) but she gradually expanded the range to include stuffed vine leaves, kebabs and other things.

It didn't cost anything to sell from the market, so her establishment cost was only the ingredients for what she sold. Gradually, she began handing out business cards, and taking catering orders.

Once Hala had become comfortable in her role as a market trader after a few months, she wanted to expand. Through Macken's business centre, she found out that the little café premises in Utvandrarnas hus (the House of Emigrants) was vacant. She contacted the manager of Smålands Museum, who was in charge of the locale. He was positive to the idea of breathing new life into the little café.

They agreed on a lease with sales-based rent. Hala would pay rent based on how much she earned.

She had no actual seed capital, but she had saved a little from her market trader sales. That was enough. With sales-based rent, she didn't need to worry about making enough to cover a fixed rent.

The café is now in full swing. Slowly but surely, her customers have increased. Now that a year has soon passed since she started the café, it is often full at lunch times. The most popular dish is the oriental platter with kibbeh, stuffed vine leaves, falafel and tabbouleh.

Hala had to work like crazy all of the first summer. She was the cook and the server.

– “I lost 12 kilos in the summer, just from all the running around.”

She laughs. Because the café continued to go well even during the autumn, she took the risk of employing a friend, Hanadi, formerly a skilled chef in Lebanon.

It seems that the customers have learned to appreciate Lebanese food. It is lighter and more nutritious than pizza, for example.

Hala's real dream the whole time has been to operate *Mammornas kafé* as a cooperative.

– “There are so many unemployed mothers in this town who cook delicious food for their families. There are so many immigrant women who have the energy and desire to do more. I'd like to run the restaurant together with some of them. That was why I called it *Mammornas kafé* (Mum's café) right from the start.”

But Hala doesn't want to rush things. She wants to really get to know the people she intends to run the café with, trust them and like them. Her little cooperative has been owned by her closest relatives initially, but this can gradually change.

Why does she herself think it's gone so well?

– “I joke a lot and talk to my customers. That's also important I think, so that they enjoy coming here. And then I'm the only one serving an oriental platter in Växjö. It's very delicious food, if I may say myself.”

“There are so many unemployed mothers in this town who cook delicious food for their families. I'd like to run the restaurant together with some of them. That was why I called it Mammornas kafé (Mum's café) right from the start.

Often, when customers eat at Mammornas kafé, Hala approaches them and offers them a sweet with their coffee. This kind of care and attention is important. It's not easy to forget that kind of atmosphere and feeling.

– “I'm not a mean person. I want everyone to feel full and satisfied. And it pays off, when they come back again.”

What is the worst thing about running a restaurant?

– “Having to deal with the paperwork and money. All my energy goes into preparing food and serving my customers. I felt stressed about not keeping up with the paperwork in recent months. But now I found a bookkeeper who can help me. That makes me much calmer.”

You had a lot of help from your family that first summer. Your daughter is usually behind the counter at the cash register.

– “Yes, my family have meant a great deal to me during these months. My husband and my daughter have done all they can for me. And my friends have also supported me. It's actually great fun to work with your family, to do this thing together. My daughter and I used to look at Blocket a few years ago. We dreamt of buying a mobile canteen. Well, it turned out to be a restaurant instead, which is even better.”

Where do you think Mammornas kafé will be in five years?

– I'll have a bigger restaurant by then. No, that's wrong. I will have bought land and built my own restaurant just the way I want it. Bubbling water and trees indoors. It will be like a dream. With a room for those who want to smoke hookahs. There will be big antique sofas with lots of cushions, a real Arabian restaurant.” ■



Step-up leases and sales-based rents

Many municipalities are keen to get more businesses established in their town. So it's generally possible to negotiate a step-up lease or sales-based rent in municipal buildings.

If you find premises yourself owned privately that have been vacant for a lengthy period, it's usually also possible to negotiate either a step-up lease or sales-based rent.

Step-up lease

A step-up lease means that you pay a smaller rent in the beginning, when your business is newly started, and then this gradually increases in steps. For example, you might pay 20 per cent of the full rent in the first year, 50 per cent in the second year, 75 per cent in year 3 and then 100 per cent in year 4. Many municipalities use this type of lease to stimulate business start-ups.

Sales-based rent

Sales-based rent means that you pay rent based on your sales or turnover. For example, this might mean paying four per cent of your sales in rent, or 12 per cent, or whatever you have negotiated. This also means that it is cheaper at the start for you to rent your premises, before your business has got off the ground and sales have grown.

Renting the usual way

It's not a good idea to enter into a long lease for expensive, unsubsidised premises. What if business doesn't go as well as you had hoped? It would be awful to need to pay rent for expensive premises for many months when in fact you want to close down the business.

And if you are unable to pay the rent, the landlord can make a complaint to the enforcement service (Kronofogden). Those who have rental debts on their credit record often find it difficult to be allowed to rent premises again, including apartments for your family.

Guerrilla marketing

Many people think that marketing is about placing ads in the media.

But ads are often an expensive way to market yourself. There are many other ways that are cheaper. A smart, creative person can achieve good marketing almost for free. This is often termed guerrilla marketing, and it's about using smart, non-traditional and often inexpensive forms of marketing. Some examples follow below.

Journalism

Advertisements cost money, but if someone writes an article about your business, it's free. Create a distinctive image of yourself in different ways, and make an impression on your community at the same time. Develop a good narrative about you and your business, without lying. A story that a journalist might snap up. For example, 'I can't live in Sweden if I can't eat proper food. In my childhood, it was mealtimes that brought the family together. We could sit for up to 3 hours, eating and talking. My aunts cooked the best spicy and nutritious food. With food like that, you could walk a whole day in the high mountains in Afghanistan. Here in Sweden, I get sad when I see people standing alone with fast food in their hands. That's why I'm opening my Afghan restaurant. I want others to experience the same good food and social atmosphere that we had in my Afghanistan.'

Or let your company throw a big party on International Women's Day then ring up a journalist and offer the newspaper the opportunity to come to the party and write about it. Try to get newspapers, the radio and TV to report on you and your business.

But you have to have an event or a good story to tell, something newsworthy, if you are going to get the interest of journalists.

Stick out – make yourself visible

- If you are running an Egyptian restaurant, hire a camel for a day and offer camel rides to the children in your town. Hiring a camel might be cheaper than the cost of an advertisement. A camel is very visible and will attract more attention than an ad.
- Invite musicians to play the music you want to associate to your business.
- Have clothing and interiors to give your business a particular image.
- Print up some eye-catching stickers and hand them out in the parking area outside a hypermarket.
- Buy an unusual car, paint it in your business's colours, add your company logo or slogan.
- Put out some tables outside your new African restaurant with mancala games on them. Offer all your customers the chance to learn to play mancala today. Offer tournaments in mancala.
- If you're a hairdresser, offer haircuts outdoors on market days. Make yourself visible.
- There are many more ideas that are inexpensive or free.

Make your signs unmissable

- If you set up a fixed sign at your business on the wall of a building or on a pole, it can be expensive. Generally, the municipality will charge a planning permission fee for the sign. Why not instead park a bright green bicycle in town with your business name on it? Highly visible, effective and absolutely free. No one can ask you to pay for parking a bicycle. Take the bicycle home at night, and roll it out again the next morning. That way, it can never be deemed to be a permanent sign.

- If you open a carpentry firm, place a planing bench outside your business, with the business name on it.
- If you open a garden centre, put your company sign on a wheelbarrow filled with fresh flowers.
- Or buy an old trailer and place it in a field beside the approach to your town, with a sign showing your business name.
- Here too, there are any number of ideas that don't cost a lot or are free.

Use social media

If you're targeting younger or middle-aged people, you might achieve as good a result via social media as through marketing in paid advertising spaces. Marketing yourself on social media is generally free of charge.

It doesn't cost you anything to make a Facebook group for your business. You can make Facebook groups for your business and for different events related to your business during the year.

You can also use Instagram to show pictures of parties with your company or from renovations, new menus, etc. This is also free.

You can also Twitter about your company. Twitter is another form of high impact social media.

GLOSSARY

Kundkrets – Customer base. The category or group of customers for a business.

Sortiment – Range (of products or services offered).

Etableringskostnad – Start-up cost.

Startkapital – Seed capital. The capital needed to start a business.

Sociala medier – Social media. Meeting places on the Internet, such as Facebook, Twitter, and Instagram.

A photograph of a person's hands holding a teal-colored garment on a white hanger. The person is wearing a yellow and green striped shirt. The background shows shelves stocked with various products, including boxes of 'OTENTIKA' and bottles of 'Santal' and 'Santal de Indes'. A large, dark, diagonal graphic element is overlaid on the image, containing the text.

“Every Swedish town needs an African shop.”

ABDIKADIR AHMED MOHAMOUD



Abdikadir's Somali shop

Abdikadir opened a Somali shop in his residential area in Växjö. Then he started a successful establishment pilotage business (*lotsföretag*) – an initiative of the Public Employment Service whereby these businesses were meant to ‘pilot’ newly arrived immigrants into Swedish society by assisting them in job-seeking, among other things. And when the Public Employment Service later closed down this initiative, Abdikadir quickly changed tack and opened two new African shops, this time in Malmö.

– “Quite a number of us have come here from Africa. Every Swedish city or town needs an African shop,” he thought.

Abdikadir Ahmed Mohamoud saw a need for an African shop in Växjö. “Many women wanted skincare creams they couldn’t find in Swedish shops. And other things too: Somali coffee, Somali spices for rice, African teas, African underclothing and shawls.

– “And of course all Somalis want Agave oil. I had seen in Malmö and Rinkeby that there were African shops, and so I thought maybe this could work in Växjö too.”

He now thinks that African shops could be opened in other small towns in the area, such as Braås, Åseda, Lammhult and Alvesta. Today there are many Somalis living in small towns in Sweden.

Abdikadir was able to rent a bicycle storeroom cheaply from the municipal public housing company. It was there that he established his first shop, which now has two employees. The shop is open every day between 8 am and 10 pm. He mostly buys the goods he sells from a wholesaler in Stockholm.

– “I have not needed to take out any loans. Instead, the business has grown slowly.”

He has not needed to advertise his shop. Its reputation has spread by word of mouth. In the beginning, the shop was only open a few hours in the evening after work.

His staff costs were not high initially because Abdikadir was able to employ people utilising the Special Recruitment Incentive (*Särskilt anställningsstöd*) and New Start Job (*Nystartsjobb*) subsidies.

– “I prefer to employ people who have no work at all. Because I want to and because it’s cheaper as a result of these incentives.”

He did the same thing in his establishment pilotage business.

– “It was easier to achieve a good economy with that business. In its last years, it went very well.”

Abdulkadir had nine employees in the business when it was at its biggest. His model was to have pilots from different language groups, and to remain open all day long without appointment times, so that all newly arrived immigrants got help right when they needed it. Many immigrants chose Abdulkadir’s pilotage business. But then the Public Employment Service close down the initiative. A tough spring followed, when all its employees lost their jobs. And his customers were not happy.

– “That’s when you have to be flexible in your head, able to switch over to new opportunities.” In the same half year that the pilotage business ceased, Abdulkadir opened two new shops in Malmö, in the suburb of Rosengård. In one of the shops, he sells clothing, accessories and cosmetics. In the other, he sells travel and assists people with funds transfer to relatives and friends in other countries.

He learned about assessing where needs and markets exist in his little shop in Växjö.

In Somalia, Abdulkadir worked in shops too. At first he dreamt of becoming a dentist when he came to Sweden, but soon realised that this required far too many years of study. That's why he chose to start a business instead.

– “You have to be patient if you're going to start a business and grow slowly. And it's difficult to do this if you have a lot of children. I have four.”

Sweden is a country that hasn't had a tradition of really small shops for many decades. For this reason, there is a scarcity of small shop premises.

– “I wish that the municipalities offered premises for more businesses, that way more people could support themselves.”

What is the most difficult thing about running a business in Sweden?

– “All the taxes and VAT (moms). It's a lot to learn about. To make it, you really need a good accountant. I have one. I pay her roughly SEK 15,000 per year but it is worth every cent. That way I know that all the figures and my taxes are always in order.”

“Quite a number of us have come here from Africa. Every Swedish city or town needs an African shop.”



What is the best thing about being an entrepreneur?

– “The best thing about being an entrepreneur is being able to employ people who have been unemployed. That’s what feels especially meaningful.”

Abdulkadir has a strong drive to change society for the better. He is now a politician for the Green party.

– “You have to believe in yourself as an entrepreneur. The driving force for me is changing society.” ■

Employing staff

You can employ people in all of the forms of business described. But before you employ anyone, you need to first register yourself as an employer with the Swedish Tax Agency. Use www.verksam.se or visit a Swedish Tax Agency office for help. It costs nothing.

The next step is to find the right form of employment and to draw up a clear employment contract that states the form of employment, the level of employment, pay, holiday pay and tasks. Because permanent employment is the main form of employment, an employee who has worked for a while at your company without an employment contract can approach the relevant union organisation to receive assistance to demand a permanent employment contract from you. All employment is deemed to be permanent unless you have contracted differently. So if you do not intend a position to be permanent, it is important that you draw up a contract right from the start. Many companies start with three or six month probationary employment. Probationary employment can be ended without needing to give any reason, and it does not need to be extended.

There are in fact only two types of employment: permanent employment and temporary employment. Even if oral agreements can be enforceable, it is easy for misunderstandings to arise. It is therefore safer to always use written employment contracts.

As an employer, you must pay the employer's contribution for each of your staff to the Swedish Tax Agency. You must also provide your staff with a pay slip every month and statement of income once per year, which states how much the employee has earned during the year, and how much tax has been paid for the employee.

If you operate a restaurant, hairdresser or laundry, you must have a staff ledger, in which all those who work for you must clearly enter their name, national registration number and working hours for every day they work for you.

Before you employ staff, it is important to review your company's insurance protection, so that it covers injury to employees at work and damage to the company or customers by an employee.

If you find it very expensive to take the step to employ others in your company, you can try to find staff whose employment is subsidised. There are a number of subsidy types for employment:

New Start Job – If you employ someone who has been unemployed for a long time, you can receive a payment equivalent to twice the employer's contribution (arbetsgivaravgiften) for as long as the person has been unemployed (*Nystartsjobb*). This is provided that the person is over 21 and has been unemployed for more than one year. If for example the person receives a salary of SEK 25,000 per month, the Public Employment Service pays SEK 13,825 of this to you as a New Start Job subsidy. (2015)

Entry Recruitment Incentive – This employment subsidy (*Instegsjobb*) applies if you employ someone who is new to Sweden. The person must be over 20 years of age, registered as unemployed with the Public Employment Service, and have a residency permit dated less than 36 months ago. The person may also be the holder of a residence card and be a family member of an EU citizen. If these conditions are met, you can receive financial assistance from the

The Public Employment Service's initiatives for the unemployed change from time to time due to policy decisions. Contact the Public Employment Service, or consult their website for up-to-date information when considering employing staff.

**www.
arbetsformedlingen.se**

Public Employment Service of up to 80 per cent of the salary cost. You can receive this assistance for a maximum of 24 months.

Wage subsidised employment – If you employ a person with a disability, you can receive a subsidy from the Public Employment Service of up to 80 per cent of their wage. But the wage is capped at SEK 16,700 per month. If the person has a higher wage than this, you must pay the remainder without compensation.

Special Recruitment Incentive – If you employ someone who has been unemployed for a long period and is covered by the job and development guarantee, you can receive compensation from the Swedish Public Employment Service of up to 85 per cent of the person's salary cost for up to 2 years (*Särskilt anställningsstöd*).

GLOSSARY

Samhällsstöd – Social support. Financial support from government agencies and society.

Arbetsgivare – Employer. The person or company that is responsible for another person having work.

Anställningsform – Form of employment. The way in which a person is employed, for example, temporary employment, hourly rate, or permanent employment.

Personalliggare – Staff ledger. A ledger listing the staff working in a company.

Kontrolluppgift – Statement of earnings and taxes deducted. The annual summary of the payment of wages/salaries and taxes, provided to all employees.

Tidsbegränsad anställning – Temporary employment. Employment that only lasts for a certain period of time.

Projektanställning – Special project employment. Employment that only lasts for the length of a project.

Timanställning – Hourly rate employment.

Tillsvidareanställning – Permanent employment. A more secure form of employment intended to last indefinitely until retirement.





**“75 per cent of
our customers
are native
Swedes.”**

JALAL TOLFAA

Jalal's Arabian restaurant

When the municipality wanted to tidy up Storgatan in Växjö, they got saddled with an old kiosk. It needed to be moved or demolished. The municipal real estate company came up with the idea of renovating the kiosk and moving it to a big park in the residential area of Araby. People felt afraid when they walked through the park. With the kiosk there, there would be eyes in the park and also good food.

Today, this beautifully renovated kiosk is operated by Jalal and Nada Tolfaa. They got a livelihood and the residents of Växjö got a fantastic eatery.

Jalal and Nada named their restaurant *Nano Rasta*, inspired by the restaurant they had previously operated in Baghdad. For it was in Baghdad that they learned their trade.

– “My father also had a restaurant,” says Jalal. “From the time I was 15 years old, I went there every day after school to work. When I was 18, I was able to buy my own little restaurant, that I later expanded. I ran that restaurant for 20 years successfully in the District of Baldeat, where many Palestinians lived.” But then came the chaos. The family fled in great haste to Sweden.

And here, Jalal was unemployed.

– “I got a practical placement at a restaurant in Växjö, but it didn’t feel right.”

So when the chance to take over the kiosk in Araby park came up, he jumped at it.

Jalal set ambitious menus, with all the dishes that a good Arabian kitchen usually offers. Although the kitchen was small, they were able to serve high-class food. It wasn’t long before he had customers.

– “75 per cent of our customers are native Swedes.”

And yet the restaurant is located in an area where many immigrants live. Jalal is glad that his cuisine is attracting new people.

What is the difference between running a restaurant in Sweden and in Baghdad?

– “It was easier in Baghdad. People didn't eat at set times. There was more of a steady stream of customers. Here in Sweden, many people eat at exactly 12 noon. The entire country has the same lunchtime.”

Jalal and Nada do not think that it has been difficult to have a restaurant in Sweden. The conditions are roughly the same all over the planet, they believe. You serve good food and you are friendly. That's how a restaurant works. They themselves started gradually, without taking loans. They had the venue of course, and the rent was reasonable because the municipality had an interest in establishing a beneficial activity in the park.

– “Swedes like Arabian food. They love interesting salads and fresh falafel. It's gone well for us right from the start, with many customers.”

Many people who open a restaurant believe that the price of the food is absolutely decisive. But Jalal has noted that Swedes experience quality as more important than price. Although of course those who are unemployed in the district think a lot about price. There's a difference there.

One problem for the kiosk was the weather. Because the customers had to sit outdoors, or take the food home with them, this had been a problem during the colder part of the year, and when it rained. But Nano Rasta negotiated with the municipality and got them to construct an ancillary building next to the kiosk. Now customers can sit indoors all year round.

“The food will be delicious when the chef laughs. There should be a good atmosphere around the kiosk that the customers sense. And that’s the same all over the world.”

What are your tips for someone wanting to open a restaurant?

– “The food will be delicious when the chef laughs. There should be a good atmosphere around the kiosk that the customers sense. And that’s the same all over the world. The customers should always feel satisfied and happy. And the food must always be high quality.”

Are the government agencies in Sweden such as the Swedish Tax Agency and food inspections a problem?

– “No I don’t think it’s a problem. You need to get help from an accountant, so that your paperwork and taxes are always in order. And food inspections are certainly different here. They come from the municipality and take a look. But they are nice and friendly. And hygiene was just as important in Baghdad, even if nobody ever came to inspect us.”

In the municipality, Nano Rasta in the park is an important place. It’s where native Swedes and immigrants from different social classes all meet right in the midst of a Million Programme public housing estate. Everyone wants to eat at Jalal and Nada’s restaurant.

This little restaurant might mean more for integration than all the integration meetings that are held to try to improve the area. All kinds and categories of people gather at Nano Rasta, quite naturally.

Nada thinks that Jalal might be able to help others who want to start restaurants.

– “He really knows how to succeed,” she says. ■

Ancillary buildings

An inexpensive and easy way to create a small premises for a business is to set up an ancillary building outside your residence. It is easy to get a permit for a small ancillary building (in Sweden called an *Attefallshus* after Swedish politician Stefan Attefall, who was involved in introducing the legislation allowing this kind of structure). As its name suggests, it is considered to be ancillary to the main building on the property, and therefore does not require planning permission. An *Attefallshus* can be up to 25 m².

Food regulations for restaurants

If you start a café or restaurant in Sweden, you must register it with the municipal Office for the Environment and



Health Protection or equivalent, before opening it. The Office for Environment and Health Protection will want to know what kind of kitchen will be used, the address, and the type of cuisine to be served. Both the restaurant and the municipality have a responsibility to ensure that people don't get sick from eating there. If you operate a restaurant, you are responsible for serving safe food. The Office for Environment and Health Protection is responsible for the inspection of foodstuffs.

You can open your restaurant at the earliest two weeks after registering it.

The Office for Environment and Health Protection will also want to know that the basic conditions for your restaurant are good such as the premises being suitable for a restaurant, that you have suitable equipment and good routines in place. They will also want to see your plan (self-monitoring programme) for ensuring good hygiene in the kitchen. If someone gets sick from the food you serve, it's important that the restaurant can demonstrate that they have really followed this programme and done everything to maintain good hygiene in the kitchen. You must be able to demonstrate your self-monitoring programme at any time.

But an effective self-monitoring programme is not just important for the municipality. Entrepreneurs in the food industry are obliged by law to comply with a self-monitoring programme adapted to their particular activity. This is even more important for someone running a restaurant. If everyone eating the lunch special at your restaurant become sick in the stomach and someone tips off the newspaper and they write about it, it often means that customers will stay away entirely and the restaurant will have to close. There are numerous examples of restaurants that have had to close because their customers got sick in the stomach on just one occasion. So it is important to be thorough.

But once you have got the routines working on an everyday basis, it isn't difficult or strange. It's about having a good

self-monitoring programme that is followed every day, simply and easily, as a matter of course.

The art of developing a self-monitoring programme for food

Your self-monitoring programme for food needs to describe to the municipality your solutions to the following:

- *Training* – How you are going to ensure that all your staff who handle food have sufficient knowledge to ensure that the food served is safe. Who provides the training? How does the restaurant manager ensure that all the staff follow the self-monitoring programme? Everyone working at the restaurant must have this knowledge. Everyone must follow the routines.
- *Goods reception* – What checks do you carry out when receiving goods, for example checking that the goods are at the right temperature and that no packaging is damaged. What do you do if something is wrong. Imagine a truck delivering goods to the restaurant in a dirty box that has been sitting in a warehouse for a long time where there are rats and birds. How are incoming goods handled? Deliveries to your restaurant cannot be a threat to hygiene and food safety.
- *Separation* – How are different foodstuffs stored? How do you keep foods containing common allergens and other foods separate? People with allergies can react even to tiny traces of foods they are allergic or sensitive to.
- *Cleaning* – What routines do you have for cleaning the restaurant, how often do you scrub the floor of the restaurant wipe out the cupboards, clean behind the stove and inside the refrigerator, for example? All this must be described. What is cleaned daily in the restaurant and what is cleaned less often (every week, every month, or every six months). Where are cleaning agents and equipment stored? Chemicals must never be stored

close to food. Routines for cleaning should be monitored using a yearly schedule in which every instance of cleaning is checked off.

- *Water* – How does the business guarantee that the water it uses is fit for human consumption? Do you use town water, your own well, or water in plastic drums?
- *Personal hygiene* – If staff don't wash their hands after various tasks and after using the toilet, dangerous bacteria can easily spread. Bacteria can also grow and spread if staff work in dirty clothing, or if they don't wear a cap when cooking at the stove. What rules does the business have about work clothes? Hair protection? Jewellery and bracelets? Jewellery and bracelets may not be worn when handling exposed food. What do you do if your staff become sick in the stomach? How and where do your staff wash their hands? Where do your staff smoke, if they do? The rules regarding smoking are that you must not smoke in your work clothes, and that you must wash your hands after smoking, and preferably not smoke at all during working hours.
- *Vermin* – What do you do to ensure that there are no vermin or pests in the restaurant? It is not hygienic to have silverfish or ants in your kitchen. And it's hardly pleasant if a rat runs across the kitchen floor. What do you do if you discover vermin or other pests? Do you allow dogs to visit the restaurant?
- *Time and temperature* – If the refrigerator is not sufficiently cold, a lot of bacteria breed. How do you measure and document the temperatures for cooking, keeping warm, cooling down and heating up, and the temperature in refrigerators and freezers and at the counter? How often do you check these? What temperature limits do you accept? What do you do if food is too hot or too cold? How is frozen food thawed?

- *Labelling* – Who is responsible for ensuring that the food serve actually contains what is stated in the menu? A person allergic to nuts can become fatally ill even if there are only traces of nuts in the food they consume. How do you inform your customers about what is in the food you serve? What do you do to ensure that an opened package is not out of date/too old? How do you label food you package yourself for sale? How do you store leftovers? On an open plate on a bench? Or in a sealed plastic container in the freezer labelled with its contents and date? You must demonstrate that you have good routines for storing food. What kind of packaging is used for food? Material that comes into contact with food should be marked with the glass and fork symbol, or the supplier must have certified that the material is approved for use with food. Certain plastics are made to be used for cold foods, but hot food should not be poured into them for cooling down. Make sure that you use the right kind of equipment/materials.
- *Packaging* – How do you check that the packaging you use is suitable for use in contact with food? Where is packaging material stored?
- *Maintenance* – How do you become aware of and attend to maintenance needs at the restaurant, for example, broken tiles. Who is responsible for this? How do you ensure that the kitchen's exhaust fans and other equipment are well-maintained and functional? How often do you change the filters in exhaust fans?
- *Traceability* – What do you do if someone claims they have become ill from eating at your restaurant? How would you trace which food was the potential problem? Do you know where all the food that you serve comes from before it comes to your restaurant?
- *Origin marking of beef* – Beef must be labelled with the cutting date and country of origin. What routines does the restaurant have to check this? How do you label the

meat you're working with and serve it? There must be a reference number on the meat and clarity regarding its origin: where the animal was born, died and raised.

- *Hazard analysis* – Describe the hazards that may arise and how you will avoid them happening in your restaurant. Describe the physical as well as chemical and microbiological hazards.
- *Waste and returns* – How is the restaurant's waste managed and how often is the waste disposal area cleaned? Where do you have space for old bread crates and soft drink crates, empty cartons, etc? Very dangerous bacteria may spread if you have old waste in the restaurant. Waste also smells bad. In addition, waste attracts vermin and pests. You must be able to demonstrate that waste is never stored in the vicinity of food.
- *Audit* – How often do you plan to do an audit, that is, go through the entire self-monitoring programme to ensure that everything is working well and that the routines are actually being followed. Who makes changes in the self-monitoring programme when necessary?

Unannounced visits

Remember that the municipality's Office of the Environment and Health Protection inspectors can arrive at any time to visit your restaurant in order to ensure that everything is hygienic and check that you are actually following your self-monitoring programme. They do not need to phone you before they arrive.

How to achieve a good working environment at your restaurant

People who work at restaurants are often subject to high stress and heavy lifting. Common accidents involve burns and cuts from knives. Make sure that your work environ-

ment is good right from the outset. The Swedish Work Environment Authority has recommendations on how to achieve a good working environment in a commercial kitchen.

- Use aids such as trolleys or lifts instead of carrying things. Carry heavy items close to your body.
- Having a height-adjustable workbench in the kitchen is a good idea so that you have the right posture while working. Try to alternate between standing and sitting when you work.
- Make sure that the flooring is good, preferably a non-slip surface. Also ensure that you have good footwear, with soles that grip well and uppers that fully cover your feet to protect them if you should spill something hot.
- Use gloves when you clean and wash dishes. Avoid contact with strong chemicals. Make sure that you have equipment always available for flushing your eyes if you should happen to get strong chemicals in your eyes.
- Make sure you have an earth leakage circuit breaker for your electric machines, and tilt protection for griddles to prevent them from falling.
- Ensure that you have good lighting in the kitchen and good ventilation.
- And don't forget to take proper breaks. Being able to rest every so often reduces stress in the kitchen.

Read more in the Swedish Work Environment Authority's brochure: "A good work environment at your restaurant" (available in English and many other languages). This brochure can be downloaded from Publikationer - Broschyrer on the Swedish Work Environment Authority's website: www.av.se.

Achieving effective, inexpensive ventilation

One of the really expensive items when starting a restaurant, a car repairer, a hairdressing salon, and many other businesses is ventilation.

The ventilation costs for a basic pizzeria can easily amount to SEK 300,000. Many people are put off starting any of these businesses when they hear this. But there are solutions.

Staffan Håkansson runs STvent AB, a ventilation business in Växjö. He has often tried to help new entrepreneurs find approved but inexpensive solutions. Here are Staffan's tips on achieving effective ventilation as cheaply as possible in new premises.

- Start your business in a limited area. You don't need to repaint cars in the first week you start a car repairer business. And you can operate a restaurant without griddles and deep fryers. You can make excellent restaurant food with the aid of two second-hand stoves and two ordinary kitchen exhaust fans. Then once your business has begun to bring in money, you can expand what you do, get additional permits, and purchase the more advanced ventilation that you would then require.
- Negotiate with the property owner to see if they will pay for the ventilation, and find out what effect that would have on your rent. If that would be too expensive, think about whether you could construct the ventilation yourself, perhaps with the help of someone you know who is good with their hands.
- Ask around among people who work in the industry to find the best and most sympathetic ventilation company in your city or town. You need to find a ventilation company that understands your situation.
- Ventilation is not like bathrooms that have to be installed by professionals for your insurance to apply. You can install your own ventilation, or get help from a friend. But

first buy an hour or two from a real ventilation company, who can go through the premises and write down what flows and volumes are needed, and the size and type of fans required to achieve effective ventilation. You can install it yourself or get a friend to help and then ask the ventilation company to come and check on the finished result. Try to get a final inspection through the ventilation company.

- You should also talk to a chimney sweeper before you construct the ventilation. It must be possible to clear dirt and soot from the system. Otherwise you will have to redo it.
- Normally, ventilation equipment is only sold by wholesalers to ventilation installation engineers. But it's now possible to buy more and more items from well-stocked building trade suppliers where you can shop too. It's also smart to do a search on the Internet for the exhaust fans recommended to you, and find out for yourself where you can buy them. Check Blocket, and asked the ventilation companies if they have any used equipment for sale.

“If you're smart about fitting out the premises, you won't need such advanced ventilation.”

STAFFAN HÅKANSSON



- If you're smart about fitting out the premises, you won't need very advanced ventilation. For example, locate the hair-washing chairs in a salon close to the natural ventilation exhaust point for the premises, often a window, so you don't need to construct any special ventilation for hair washing.
- Don't build your own crazy ventilation system without getting advice. (Staffan has met restaurant owners who have built their own systems without asking a professional. Sometimes these systems have drawn in a whole lot of cold air from outside, and then the owner has had to pay a great deal to heat it inside. It isn't pleasant either to eat at a restaurant in winter where cold air is blowing in.) The cost of getting advice from a professional will save you at least as much.
- Make sure that you come to an agreement with the property owner concerning how the air is to be ducted out so that your ventilation exhaust does not affect the ventilation in the rest of the building. If the air is ducted out through an external wall, it must not disturb the fresh air intake of residents or create a smell nuisance outside balconies and the like.
- However you choose to install your ventilation, you must have a description of it that complies with the applicable rules and can be approved by the local building committee in your municipality. It must also be well enough constructed so that it passes an unannounced inspection from the Swedish Work Environment Authority. And of course it must be approved by a chimney sweeper for regular clearing.
- There are no short cuts in relation to the rules and regulations governing ventilation. But you can still pay less than what you might first think. If you are a bit smart about it.

GLOSSARY

Jordfelsbrytare – Earth leakage circuit breaker. A circuit breaker that shuts off the current in case of danger or problems, generally connected to a fuse box.

Byggnadsnämnden i kommunen – Local building committee in your municipality. The department in the municipality that approves and issues building permits.

Arbetsmiljöverket – The Swedish Work Environment Authority. The government agency responsible for safety inspections of Swedish workplaces.



A person wearing a patterned shirt is holding a green tag. In the background, several sheep are visible in a field. The image is partially covered by a dark purple diagonal overlay on the left side.

**“The
municipality
realised that
sheep are
nicer than
lawnmowers.”**

MUHAMAD MUHEBI



Muhamad Muhebi is a sheep farmer

Muhamad Muhebi worked with sheep in his homeland of Afghanistan. When the war caused him to flee to Sweden, he ended up in a rental apartment in Växjö. But Muhamad wanted to continue working with sheep despite living in a city apartment. After a number of years of struggle, he is again a sheep farmer, this time in Sweden.

After Muhamad Muhebi studied at Macken's agricultural college in simple Swedish for a year, and was a trainee at a number of different farms, he wanted to start his own business.

Along with one of his teachers from the agricultural college, he visited the municipality's ecologist and suggested that the city's green areas could be grazed by sheep instead of being mown by noisy, environmentally unfriendly lawnmowers.

The municipal ecologist liked the idea. They made a joint project application to the Swedish Board of Agriculture. And got funding.

Muhamad started out cautiously, with only a few sheep, collaborating with local farmer LarsErik Johnsson of Osaby farm outside Växjö. The sheep were housed at Osaby farm during the winter. He then began the systematic work of patiently saving the ewe lambs each year with the long term aim of allowing the flock to grow. Today, Muhamad has 50 sheep. This provides an income of maybe SEK 30,000 per year. To really be able to live off his sheep, Muhamad needs to let the flock grow to between 300 and 400 sheep. Today, he also supports himself as an agricultural worker. But his dream remains to eventually live entirely off his own sheep.

LarsErik and Muhamad have worked together to erect sheep netting. Four km of netting have been erected so far. The municipality pays for the posts and the Swedish Board of Agriculture pays for the netting. The municipality wants to expand and have sheep in more residential areas around the city. Muhamad has also got a contract from the private golf club to let the sheep graze on the golf course.

Wherever Muhamad Muhebi's sheep graze, you can get EU aid for the land, area-linked aid, or a restoration grant. Muhamad's company applies for this funding. When the land is mown by lawnmowers, the municipality gets no EU aid. The income he currently has from his enterprise comprises the sale of lambs for meat, payments from the municipality and the golf club for the grass that has been 'mown' by his sheep, and EU aid for maintaining the land.

Eventually he might also be able to get people to pay to have the sheep graze outside their summer cottages.

But the EU also makes demands. You have to be aware of all the rules if you want to receive area-linked aid. For example, you cannot have European goldenrod (*gullris*) growing in the grazing enclosures, which requires work because this plant is a very common weed. He has hired an accountant for bookkeeping and finance so that he can focus entirely on the sheep and practical work.

Muhamad now wants to develop by fitting out his own sheep barn close to the city. The municipality has bought up a number of cottage farms with barns around Växjö for the city's future expansion. Muhamad can rent one of these cheaply. He will be applying for project funding during the autumn to renovate it.

– "It's been no problem starting to work with sheep in Sweden," says Muhamad. "I think you could probably do the same thing in more municipalities. Talk to someone at the municipality about it being nicer to have sheep than machines – cheaper, quieter and better for the environment."

“Probably many immigrants think that it's difficult to work in agriculture in Sweden, difficult to live on the land. That's a pity because there is a lot of work available in rural areas in Sweden.”

In many towns there is also a glaring need for locally grown organic vegetables. You simply can't buy them even though the demand exists.

– “Probably many immigrants think that it's difficult to work in agriculture in Sweden, difficult to live on the land. That's a pity because there is a lot of work available in rural areas in Sweden. For young people for example, it's much easier to get a summer job in the country than in the city,” says Muhamad.

He is going to go on living in his apartment in the city despite working with sheep.

– “I have three children who now have their football team and friends in the city. It's difficult to move teenagers to a remote rural area. They don't want to move. But if the children had been younger, we would have absolutely moved. You know how small children love animals! But older children say ‘the animals stink’.” He laughs.

Muhamad's wife is currently attending a restaurant course in Växjö.

In his home village of Jaghori in Afghanistan, Muhamad ploughed with an ox. He had a cow and hundreds of goats and sheep. Unlike in Sweden, the sheep wandered freely with a shepherd. But there are also similarities. In the mountain areas where Muhamad Muhebi lived, there was also snow and the winters were cold. Just like in Sweden, you had to bring in hay for the winter and keep your livestock indoors for several months of the year. “It was a good life until the war began.

They started to confiscate land from private farmers. That's when we fled.”

What are your dreams for the future?

– “To be able to renovate one of the municipality’s run-down barns and make it into a fully functioning sheep barn, hopefully already this autumn, and eventually do my own butchering. I would like to sell halal lamb. Many people want halal meat. If that doesn’t succeed, I want to sell the meat to Bonnakött, an abattoir jointly owned by a number of Småland farmers, where you can get a better price per kilo.”

At the time of writing, Muhamad and LarsErik have just been awarded Våxjö municipality’s first environmental prize for their work with “Sheep in the city”. The prize is called “Våxjö’s green deed”. ■



Farming livestock in Sweden

Anyone farming livestock in Sweden must comply with Sweden's animal welfare laws. These laws require among other things that cows, sheep and goats are let out in summer. They can in fact be left out all year round, but during the coldest part of the year, they must have access to a pasture shed that is clean and dry and where they can shelter from bad weather. A pasture shed can be a very simple construction of plank walls and tin roof, a building that you can construct yourself if it is on a small scale.

All cows, sheep and goats in Sweden must also be ear-tagged with their production location and number. You get these numbers and the tags by registering the livestock with the Swedish Board of Agriculture.

Before you begin livestock farming, you must also register your facility with the county administrative board.

For more information about the rules that apply to livestock farming in Sweden, read the information available on the Swedish Board of Agriculture's website: www.jordbruksverket.se/amnesomraden/djur (in Swedish only)

EU aid for agriculture

You can apply for different kinds of aid to start your own farming business in Sweden. There are case managers at the county administrative boards who can tell you what funding you can apply for. The Swedish Board of Agriculture publishes brochures on aid to agriculture in simple Swedish.

Here are some of the most important forms of aid available:

- Almost all farmers in Sweden apply for and get what is termed a farm payment (*gårdsstöd*) from the EU, paid out via the Swedish Board of Agriculture. This farm payment is a form of income support paid per hectare of

farmed land. To qualify, you must farm at least 4 ha of agricultural land and have at least four payment entitlements. You can apply for payment entitlements from the national reserve, or you can rent or purchase entitlements from someone else.

- A person who grazes sheep on municipal agricultural land can also apply for a farm payment. If municipal agricultural land is mown with an ordinary lawnmower however, you cannot apply for a farm payment.
- Organic farmers can also apply for *aid for organic farming*, which is paid for both livestock and crops. To receive aid for livestock and crops, they must both be certified. To receive aid for crop production, it is enough if the crop is certified. The money comes from the EU and Sweden, and is paid out via the Swedish Board of Agriculture. There is also aid available for conversion to organic production.
- You can also apply for *Miljöersättning för betesmarker och slåtterängar* (Environmental payments for pastures and hay meadows). This is a form of aid for grazing or cutting grassland. The applicant must manage the land for at least five years. The land must be approved under the rules when you begin your application. In other words, you cannot apply for funding for land that is overgrown with weeds. There is extra funding to apply for if you are managing land that has nature value and cultural value, and if you cut the grass with scythes or dry the hay by piling it on drying racks or turning it, etc. The county administrative board will then draw up a commitment plan stating how the land is to be managed.
- Compensatory aid (*kompensationsstöd*) is a form of financial support for farming land in areas where cultivation is difficult. You can receive this aid if you have livestock and produce feed or if you grow cereals. This aid is calculated on the basis of how many animals (livestock

units) you have in relation to the acreage on which you cultivate feed crops. If you cultivate cereals, you receive aid per hectare (ha).

- Younger farmers (under age 40) who start agricultural businesses can apply for start-up support (*startstöd*) which is also funded from the EU and the Swedish Board of Agriculture.
- A person needing to renovate or build a barn for their livestock can apply for investment aid (*investeringsstöd*), which can be as much as 40 per cent of the investment cost.
- Applications for this aid are subject to competition. So not all applicants can count on receiving funding. You can also get investment aid for cultivating perennials such as apples.
- A person wanting to try out new agricultural methods, or start a new business, can also apply for Leader funding (*Leaderpengar*). You apply for this funding through your local Leader organisation.
- For all forms of aid, you should contact the rural unit at your local county administrative board. The county administrative board processes all applications, does on-site inspections to ensure compliance with the rules applicable to the aid, and makes decisions regarding payment. You can find up-to-date information on the websites of the county administrative board and the Swedish Board of Agriculture. For example, www.lansstyrelsen.se/kronoberg
www.jordbruksverket.se

GLOSSARY

Arealstöd – Area aid. Aid to support land being farmed rather than becoming overgrown with weeds.

Ekologisk – Organic. Cultivation without artificial fertilisers and chemical pesticides.

Investeringskostnad – Investment cost. The cost of an investment such as a new sheep barn.

Produktionsstöd – Production aid. Aid to support the production of a particular crop or product.







**“I’m not
interested in
cars. In my trade,
it’s about being
sociable.”**

SIRWAN AHMED KARIM

Sirwan started a taxi company

– “I was the first immigrant with my own taxi company in Växjö. The other drivers laughed at me at first. But now, several years later, my business is doing well.” Sirwan Ahmed Karim now has four taxis and three employees.

It was extremely difficult in the beginning. The established taxi companies wondered who the newcomer was in the black Volvo. That guy who came from another country.

– “Once when I had a customer in sight, they backed in front of me and took the customer. It was like that the whole first year. I had no money and no customers. It was a catastrophe.”

Sirwan thought that his only chance was to try to connect with the other drivers. He started sending customers to the other taxi companies, being as decent and kind as he possibly could – even if the financial price was high.

– The others didn't send any business his way. “But when I'd stuck it out for a year roughly, finally there was some give-and-take. By then they had started to appreciate me and send customers to me. I got their respect. We started to cooperate.”

In his home country (Sirwan is a Kurd from Iraq), he worked as a nurse. But then the war came and Sirwan fled to Sweden. Initially, he got work experience with a furniture upholsterer, and then work experience at a restaurant in Växjö, but it felt odd to just be experiencing work rather than doing it. Sirwan moved to live with his brother in Vänersborg, got a Swedish driving license and then later a taxi driving license.

– “In Baghdad, I would never have dreamt of driving a taxi. But we are in a new country now. I mean, I'm not at all inter-

ested in cars, and not in driving cars either. I like sewing clothes in my free time.” But this is how things went anyway.

The first company he got a job with was not much fun.

– His salary was SEK 12,000 per month before tax. SEK 8,000 after tax to live on. “I felt exploited. The owner sold customers various tasks that I had to do, carry sofas and help people with all kinds of things. I thought to myself, I can’t go on like this, so I got myself a taxi license while I was still an employee. My first car was an old Volvo 850.”

In Sirwan’s view, the road to success for a taxi driver is very much about being sociable. “What is most important is what you are like as a person. You must take responsibility, assist the elderly into their apartments, and carry bags. You need to drive smoothly and always show respect.

– “As an immigrant you have to show double the respect. Many people believe that the taxi license itself is the most important thing. The license almost nothing. What you are like as of person, that is everything. Everything they say to you in the taxi must stay in the taxi. You must behave very ethically, never be pushy. The customer should be the one to start talking, not you. If the customer wants silence, then there should be silence. The car should be clean and neat. You need to have nice clean clothes, be able to speak the language and treat people well.”

Many people say it’s difficult to make money from taxis. The competition is tough and prices have been dumped?

– “Yes that’s true, many people have poor working conditions. They drive based on a percentage.”

To improve your economy, it’s a good idea if you can join forces with other taxi companies and respond to tenders.” Sirwan is contracted to Sjukresor Kronoberg, which provides a lot of work through the public transportation service for the elderly and disabled (*färdtjänst*).

“What is important is giving my children a future, showing them that anything is possible. I lived on social security for 11 months after I arrived. That wasn’t fun. It gave me a really bad feeling, doing that.”

– “No, I’m not complaining. I’m going to form a limited company now. My wife is going to handle the trip reports and paperwork.”

The future?

I’ve bought a block of land in Vikaholm (a nice new residential area in Växjö, on the edge of Lake Helga). We’re going to build a new house. But the house isn’t the important thing for me. What is important is giving my children a future, showing them that anything is possible. I lived on social security for 11 months after I arrived. That wasn’t fun. It gave me a really bad feeling, doing that. For me, the most important thing is supporting myself.”

And in his free time, Sirwan still sews his own clothes. These days as a hobby and for relaxation. ■

Starting your own taxi company

Facts about starting your own taxi business

- You must be at least 21 years old to drive a taxi. To get a taxi license, you must pass the Swedish Transport Administration (*Trafikverket*) test for taxis. The knowledge requirements for a taxi driving license cover a number of areas: map reading, eco-driving, the environment, safety, treatment of customers, illnesses and disabilities, the driver, vehicle knowledge, traffic rules and taxi service legislation.
- If you then want to start your own taxi company, you must undergo a personal and financial aptitude test with the Swedish Transport Administration, and after this you can apply for a commercial taxi license. The financial aptitude test requires that you can demonstrate that you have access to SEK 100,000. But you can use this money later to buy a taxi. You can find a ready-to-drive taxi with fare meter on Blocket or bytbil.com

- You can fit out any vehicle to become a taxi. But you must purchase an approved and sealed fare meter and taxi roof sign and do a taxi inspection. You must also notify the vehicle as a taxi to the Swedish Transport Agency (*Transportstyrelsen*). All of this usually costs roughly SEK 25,000. You can own one car and use it as both a taxi and your own family car, but in that case it may be subject to fringe benefits tax for your private trips.
- It's generally a good idea to join a bigger taxi chain in order to gain access to a bigger and better known trade-mark so you get more calls to your switchboard. However, it also costs money to belong to a chain.
- If you buy a second-hand taxi that has done a lot of kilometres, check that it really has been regularly serviced and check its status regarding parts that generally wear out in taxis: the clutch, shock absorbers, wheel housings, gearbox and the interiors.
- Before you start, you need to have good business insurance cover in case anything should happen. Your business insurance should cover at least the following: property, third-party liability, business interruption, and legal expenses insurance.



What do you do when all the banks say no?

You might need a certain amount of capital to start your company. You might need to buy a machine or a car, for example.

Generally, this will be problematic if you are unemployed and apply for a loan from the mainstream banks. They will say no. However good your idea is.

Here are some tips for alternative sources of funding

- Micro financing, micro finance funds and credit guarantee associations are starting to grow even in Sweden. They exist for people like you who want to start a business and have difficulty getting a bank loan from the mainstream banks. The model for these is often the internationally renowned Grameen Bank, which has helped so many poor and vulnerable people in Asia and Africa to get small loans to start a business. Examples in Sweden are *Mikrofonden Skåne*, *Mikrofonden Halland*, and *Mikrofonden Väst*. These member-owned micro finance funds are now being established all over the country. Find out if there is a micro finance fund or credit guarantee association where you live. Ask Almi or Coompanion about this. They know.
- Ekobanken is a member-owned bank that is sometimes does crowdfunding. If you have an idea that you believe in, the bank can help communicate your idea to a variety of people who jointly stand surety for you, so that you can get a loan to start your business.
- If there is an independent savings bank in your town, go in and talk to them. Explain that you want to start a new business in the town and ask if they are able to help you with this. The independent savings banks are often more than 100 years old and started in order to strengthen the local community, promote more enterprise, more jobs, better schools, etc., in the local area. What benefits the town is the bank's objective. It is often possible to get a

loan for a local enterprise from an independent savings bank when other banks say no.

- You can also save money in the JAK-banken, an interest-free bank in Sweden. Instead you get points that can later be the basis for getting a loan. If you can't wait to get enough savings points, you can try to find a person who has saved for a long time and who is willing to write a letter to the bank transferring their savings points to you.
- Talk to Almi. They have offices in almost all Swedish cities. Almi offers both advice and banking services. They can often grant different types of loans without requiring as much security as other banks. Their mission is of course to promote more enterprise. For example, they offer business loans (*Företagslån*), innovation loans (*Innovationslån*) and growth loans (*Tillväxtlån*). But don't forget to ask about the interest rate. Almi has lower demands on security than other banks, but they also usually apply a higher interest rate.

The art of transitioning from income support to self-employment

Because it usually takes a couple of years before you can support yourself entirely from a newly started enterprise, it isn't easy to stop receiving municipal income support the same day you register for corporate tax (F-skattsedel).

Many municipalities have a basic rule that if you have registered a business, you can never receive income support. In other words, municipal income support disappears on the same day that you register a business. For this reason, many people are afraid of starting their own business. In more and more municipalities, they are realising that this rule is so harsh that it is working against people's desire to support themselves. People are beginning to understand that 20th-century Sweden, where jobs in large industrial corporations were the norm, is unlikely to return. We need

other ways of supporting ourselves than just traditional jobs. In addition, it is also being realised that a great many people who have fled to Sweden have been entrepreneurs in the past. And these people would prefer to continue running businesses, even if initially they might be dependent on income support in their new country.

In some municipalities today, it is possible to convert income support into assistance to start a business for a set number of months. This model exists in Helsingborg and Växjö, for example. In other municipalities such as the municipalities of Skurup and Uppsala, the time limit for the assistance is decided on a case-by-case basis based on whether the income support “can assist the household to become self-supporting within the near future”. In some municipalities such as Forshaga and Ronneby, a person granted assistance to start a business by the Public Employment Service, but who cannot support themselves with the activity support paid to them, may receive help in the form of municipal income support even though they have registered a business.

Whatever the rules are in your municipality, it is absolutely worth writing a letter to the social welfare service and telling them about your ideas for starting a business, and in that case if it were possible to get income support for a transition period. Many municipalities make exceptions when they are processed in the board, even if this is not specifically stated in the rules.

If the municipality is not willing to assist for a transition period, it may be a good idea instead to begin your enterprise with the aid of a self-employment company (see page 57), which would allow you to operate a business without first registering a business. That way, you avoid the risk of being without income support. The money that you receive from the self-employment company is viewed in the same way as temporary employment in a company.

GLOSSARY

Körrapporter – Driver logbook. A logbook of when and for how long you have driven with a vehicle per day.

Prisdumpning – Price dumping. When prices are dropped so low that goods are sold at a loss. Entrepreneurs can do this consciously in order to establish themselves, or to outcompete a competitor.

Bemötande – Treatment of customers. Refers to the reception your customers get.

Lämplighetsprövning – Aptitude test. A test of whether a person is suitable, has the aptitude for, a certain task.

Yrkestrafik tillstånd – Commercial transport license. Issued by the Swedish Transport Agency that entitles you to operate commercial transport.

Förmånsbeskattning – Fringe benefit tax. If an employee of a company receives a benefit in some form other than salary, for example a company car or a free mobile phone, the employee must pay tax on this benefit.

Transportstyrelsen – The Swedish Transport Agency. The government agency responsible for supervising safety in the area of transport.

Stora kedjor – Large chain stores. Retail outlets that share a brand and central management.

Egendomsförsäkring – Property insurance. Insurance for special goods, either real property or personal property.

Ansvarsförsäkring – Third-party liability insurance. Insurance to cover damages if something goes wrong.

Avbrottsförsäkring – Business interruption insurance. Insurance to cover the costs of an interruption to your business in the case of an extended power outage for example.

Rättsskyddsförsäkring – Legal expenses insurance. Insurance to cover the costs of a lawyer or barrister in the case of a legal dispute.

Mikrofond – Micro finance fund. A fund that provides micro loans to entrepreneurs.

Kreditgarantiförening – Credit guarantee association. An association that can help enterprises financially or stand surety for an enterprise.

Crowdfunding – Private investments in a business or an idea.

Löpande bokföring – Current recording of transactions. The bookkeeping that needs to be done for every transaction continuously throughout the year.

Anstånd – Respite. The right to delay payment.

Utmätning – Seizure. If you cannot pay your debts, the Enforcement Service can seize goods that a company or a private individual owns and sell them.

Osund konkurrens – Unfair competition. For example, when the public sector operates enterprises subsidised by tax money. This will result in competition that is not on equal terms.



The image features a person's arm in a white t-shirt on the left side, set against a background of grey bricks. A large, dark purple geometric shape, resembling a triangle or a large arrow pointing right, covers the right half of the image. Inside this purple shape, the text is written in white.

**“You compare
countries and
reflect on what
is missing.”**

AHMED BAKALAEV

Ahmed importerar pavers from Eastern Europe

– “You have the desire to connect your new country with your old country. If you find something that is missing, then you want to try importing it.”

Ahmed Bakalaev from Chechnya makes Småland's most beautiful driveways. He is a self-employed importer of concrete pavers (paving blocks) from Eastern Europe.

Ahmed's relatives work with pavers in Chechnya. It struck him immediately when he came to Sweden that the normal range of concrete pavers in Sweden is extremely dull. In Eastern Europe, concrete pavers come in many colours, shapes and with 3-D effects. Your driveway can be a real work of art. You can write text or paint pictures with the pavers.

Because Ahmed also had Chechen friends in Sweden who worked with paving and tiling, he had everything he needed to start his own business.

His original goal was to become a police officer. In Chechnya, he worked as a security guard. But to become a police officer in Sweden, he must first become a Swedish citizen, and because that was going to take some time, Ahmed thought it was a better idea to start his own business. To start doing something, not just wait around for years.

His family came to Sweden in 2007 after a number of horrific years during the Chechnya war. Since then, Ahmed and his wife Zarema have acquired a growing family of now four children.

When Ahmed gave up the idea of becoming a police officer, he applied to Macken's business school. He already

had his business idea, to sell concrete pavers and decorative stone tiles.

– “I thought that because you can’t lay concrete pavers in the winter, I also wanted to work with tiles indoors and so I supplemented the pavers with decorative stone tiles.”

Decorative stone tiles are an alternative to wallpaper to achieve stone-like walls in restaurants, for example.

It was not easy in the beginning. Ahmed put a large number of flyers in letterboxes to inform people about his new company, but he got virtually no response. But things started to gather speed once he had installed his first driveways. Other people saw that these driveways were much more interesting and attractive than the neighbours’ driveways. So people started to wonder and ask where the pavers came from.

For Ahmed, importing is easy. He has travelled to Lithuania and Poland and establish contacts with the best producers. He has a great advantage in being able to speak Russian. Once he gets an order, he can easily e-mail the producer, who either has the pavers in stock or pours them for the order.

When it’s time for delivery, there are many hauliers around Europe that can organise collecting the order, including *DHL* and *Frakta billigt*. You order a pallet on a truck. It’s usually delivered within two weeks.

– “In fact it’s as easy to buy concrete pavers from Poland as it is to buy them in Gothenburg. You e-mail your order to the company, and then you book pallets on a truck.”

The pavers or tiles are delivered to the customer’s home. Occasionally, Ahmed has to hire temporary help from a forklift truck company to unload the pavers.

The EU’s free movement of goods and services make it easy to import from another EU country. But importing from countries outside the EU can be more complicated. You have to take into account customs and the trade agree-

“In three years I hope to have my own small-scale production of concrete pavers in Sweden. So that I don’t have to import them any more.”

ments that Sweden has with the country in question. For countries outside the EU, in brief, the conditions are very different depending on the specific country. Ahmed thinks that many more immigrants could support themselves by importing the goods they miss in the new country.

– “It’s rather obvious that you compare countries, and reflect on what is missing. And I saw that if I started working with pavers, there was virtually only one competitor in Sweden, a company that manufactures lightweight concrete pavers. But their prices are higher and they don’t have much of a range, so I felt immediately that this could work.”

What are your dreams for the future?

In three years I hope to have my own small-scale production of concrete pavers in Sweden. So that I don’t have to import them any more.”

And of course he hopes that more people will come to realise that interesting driveways are better than dull ones so that he can support himself from his business. He is not quite there yet. But soon. ■

GLOSSARY

Sortiment – Range. Here meaning the range of goods available.

Import – To purchase and transport into the country goods from another country.

Tull – Customs. Fees and charges that must be paid when goods are transported over national borders.

Handelsavtal – Trade agreements. Agreements governing the terms and conditions for trade between countries.

Insurance

An entrepreneur must deal with many rules and regulations and sometimes things don’t go as expected. That’s why it is important to be aware of how things work in respect of

taxes, insurance and contracts. With some foresight, getting help from others and having good insurance policies in place that suit your particular enterprise, you can protect yourself in case of an accident or if your business does not go as well as you had hoped.

Business insurance

All entrepreneurs are well advised to take out business insurance. In Sweden, most business insurance policies contain the following parts:

- Property protection
- Business interruption insurance
- Insurance for business travel
- Third-party liability insurance.

You can also add on the following for example:

- Legal expenses insurance
- Assault and battery insurance
- Crisis insurance
- Property crime insurance
- Restoration insurance
- Medical expenses insurance

Property protection means that you will be able to claim for machinery or office equipment that is damaged or stolen.

Business interruption insurance means that you will be able to claim for loss of income if the machinery you use has been stolen or burnt down for example, so that you cannot complete the work that you have planned.

- *Insurance for business travel* applies if something happens to you when travelling for work such as your bags are lost or stolen, you become ill or you are assaulted or injured.
- *Third-party liability insurance* is possibly the most important part of business insurance. It assists you if you are

held liable for having injured a person, or for material damage. For example, you might be a carpenter who has dropped something that has injured a person on the street, or you have built a garage that your customer is not at all satisfied with, and is now suing you for damages.

- *Legal expenses insurance* compensates you if you are taken to court or end up in a legal dispute. A claim under this insurance would cover a solicitor's fees for example.
- *Assault and battery insurance* can be of assistance if you are subjected to physical violence.
- *Crisis insurance* can help you pay for psychological help if a major crisis occurs.
- *Property crime insurance* can assist you if you have an employee who has embezzled the company's money, for example.
- *Restoration insurance* helps you if you are forced to restore something to the way it was before you began working on it.
- With *medical expenses insurance*, you have the right to seek private healthcare if you become ill, so that you don't have to wait in the public health system queue for care and consequently lose income.
- It is difficult to compare prices of business insurance, because the companies often have different terms and conditions and different components of the business insurance. It is often best to write down which components you need in your business insurance, and then ask several different insurance companies how much business insurance with these components would cost for you.
- Also check any differences in the applicable excesses (*självrisk*), that is what you have to pay yourself in the event of a claim.

Don't neglect the paperwork

Thomas Andersson has worked as an inspector at the Swedish Enforcement Authority (*Kronofogdemyndigheten* or just *Kronofogden*) since 1971. He has helped many small business owners who have ended up with debt problems. There are often common characteristics of those who end up with these problems.

- “Small business owners are generally very energetic people, often highly skilled within their various activities. They are real battlers” says Thomas.
- “However, there is a risk of becoming so involved in your work that you don't allow time to manage all your paperwork, and that is when problems arise.”

“Pay what it costs to hire someone to deal with the bookkeeping and annual accounts – it is money well spent.”

THOMAS ANDERSSON



– “It is almost always the same thing. The person has not had time or taken time to deal with the paperwork. All their energy has been focused on the work itself. I can see this as a common problem among those who end up in trouble with us. They don't deal with their paperwork. And that's where the problems arise.”

Thomas meets entrepreneurs who think that they don't need help from the outside. ‘I can do the bookkeeping myself. And it's expensive if someone does the bookkeeping for me. I can do that.’ But then there isn't enough time.

– “After maybe 18 hours' work, who has the energy to sit down with the bookkeeping.”

Thomas has a simple piece of advice for all new entrepreneurs:

– “Pay what it costs to hire someone to deal with the bookkeeping and annual accounts – that is money well spent. You will profit from it. That's my experience after more than 40 years in the job. I've seen so many problems, where people have believed that you can do the bookkeeping yourself at night.”

There are legal requirements for current recording of transactions, payment of taxes and proper annual accounts. There are no shortcuts here. Being behind with the bookkeeping is also very stressful. It creates a great sense of calm to get help from the outside. And it's even more stressful if you cannot pay your debts and really end up in trouble with the enforcement service.

– “You end up in a situation where you either quit your enterprise or pay your debts. You cannot continue.”

Thomas could wish that some entrepreneurs had a bit more insight into themselves.

– “Not all entrepreneurs are going to be good with the paperwork. Perhaps they should realise this: I am good at running things, getting things started, putting everything I

have into a business – but I'm not good at paperwork. It just isn't my thing. Others are better at this kind of thing.”

If you start having problems, and cannot afford to pay tax it is always best to go and talk to the Swedish Tax Agency. It's possible to get an extension of time from the Swedish Tax Agency and delay the payment for a short while. But once a tax debt has ended up with the Enforcement Service, there are no extensions of time.

– “It's tough running a business in Sweden. We have very high taxes. You really have to work hard if it's going to work.

If you end up in trouble with the Enforcement Service as a sole trader, what often happens is seizure of your property. The Enforcement Service comes home to you and takes your assets. Another problem is that once you've been registered with the Enforcement Service, later you find it more difficult to buy a house, get a bank loan, a telephone subscription, etc.

– “Your financial mobility will be severely limited.”

In Thomas's view, businesses that don't do what they're required to do should close down. It's as simple as that. “Everyone has to pay tax in a country. The conditions are the same for everyone.

– “It would be unfair competition if some people were allowed to work without paying taxes year after year, while others do. And those who don't deal with their paperwork at all have demonstrated that they're not suitable to be entrepreneurs,” he says.

Thomas has a lot of admiration for many immigrant entrepreneurs. Despite all the difficulties these new Swedes have with the language and with the rules in their new country, they are not overrepresented with the Enforcement Service. ■

Entrepreneurs in the statistics

There are more than 1 million enterprises in Sweden. 75 per cent of these are one-person enterprises, and 30 per cent of all enterprises are run by women.

Roughly 70,000 enterprises are started in Sweden each year. And around 7,000 enterprises go bankrupt each year.

In 2011, the magazine *Entreprenör* conducted a survey of entrepreneurs in Sweden to try to understand how they think and live. The following are some of the results that emerged

An entrepreneur works more than most people, but earns less than the average employee. The average entrepreneur takes fewer holidays than the average employee. Most entrepreneurs want to continue working after reaching retirement age.

The magazine survey also showed that entrepreneurs:

- More often live in detached houses or suburbs of detached houses than the rest of the population.
- Are less religious
- Have better mental and physical health than others based on their own assessments
- See themselves as more attractive, intelligent, physically stronger, more agile mentally and happier than others
- Believe that you can trust people to a greater extent than others do
- Are more satisfied with their lives than others
- Are more satisfied with their jobs in all respects
- Are less concerned about their own future and Sweden's economy
- More often support athletic clubs and associations and aid organisations
- More often read the morning newspapers and listen to the news on radio and TV
- Are more interested in politics, foreign news, economics and the economy and culture Watch the news on TV more frequently, watch TV series less frequently

- Talk more on their mobile phones, use the Internet more, and listen to the radio more than the average Swede
- Read fewer books, rarely read blogs, and read fewer evening newspapers (the tabloids).
- Are more positive to nuclear power and technology than the average Swede
- Think that it is important to be ambitious, unbiased, daring, influential, competent, intelligent and successful
- Believe that status and respect are important.

Entreprenör's picture of the entrepreneur does not show a person with a good personal economy and a lot of leisure time in the first instance, but on the other hand a person who is enterprising, active, optimistic, filled with the joy of living and with a positive self-image.

Did you know ...? About entrepreneurs with Swedish and foreign backgrounds

- One eighth of all enterprises in Sweden today are operated by a person with a foreign background. In the last decade, the proportion of immigrants among entrepreneurs has increased greatly.
- Even if the labour market does not value the competence of immigrants, they know themselves what their capacities, knowledge and skills are – which is why they choose to start their own businesses. In figures alone, a greater percentage of people with a foreign background are unemployed than native Swedes, but they are also a high percentage among entrepreneurs. Perhaps this is not so surprising.
- Immigrant women entrepreneurs have risen particularly strongly (doubled) in the last 10 years, although this is an increase from a low level. The children of immigrants do not start as many businesses in Sweden as their parents.

- Native Swedish entrepreneurs on average have different characteristics than immigrant entrepreneurs. Immigrant entrepreneurs are overrepresented among sole traders. Immigrant entrepreneurs employ more people in their sole trader enterprises than native Swedish entrepreneurs do on average. Immigrant entrepreneurs are thus an important group among entrepreneurs if we are to tackle unemployment effectively.
- At the same time, immigrant entrepreneurs on average have a lower turnover in their businesses than native Swedish entrepreneurs.
- The average enterprise operated by a Swedish-born entrepreneur has a broader sphere of activity than the average enterprise run by an immigrant. More than 30 per cent of immigrant entrepreneurs in Sweden operate restaurants, taxi companies and hairdressing businesses. More than half of all restaurants in Sweden today are operated by immigrant entrepreneurs.
- Immigrant entrepreneurs are very important in opening up new foreign trade for Sweden.
- A large majority of immigrant entrepreneurs get their livelihood from their enterprises. Enterprises started by native Swedes are more often started with loans than enterprises started by immigrants.

SOURCES OF STATISTICS - IN SWEDISH ONLY:

Näringslivets ekonomifakta

Företagare – här har du ditt liv, en undersökning gjord av tidningen Entreprenör 2011.

Lina Andersson and Mats Hammarstedt: Invandras egenföretagande – trender, branscher, storlek och resultat

Swedish Agency for Economic and Regional Growth (Tillväxtverket): Företagare med utländsk bakgrund: Företagens villkor och verklighet, fakta och statistik 2012.

Lyckad invandring – tio svenska forskare om hur man når framgång. Martin Klinthäll and Susanne Urban: Köksingång till den svenska arbetsmarknaden? Om företagande bland personer med utländsk bakgrund.



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Starting a business without money

Starting a business without money is written for those who have the drive and the ideas, but perhaps not a lot of money, to start their own business. This book is also addressed to business advisers, social workers, Swedish Public Employment Service (Arbetsförmedlingen) officers, and others whose work includes meeting people who need to find a way to support themselves. It provides inspiration and information about starting a livelihood business with only a small financial investment at the outset.

The Swedish Agency for Economic and Regional Growth works to make it easier for more people to start businesses, and for more business ideas to become a reality. Publishing this book is part of that work.