

## **Summary Report: What We Heard**

### **A. Introduction**

The Black Entrepreneurship Program (BEP) aims to provide Black business owners and entrepreneurs with the supports they need to move forward and recover from the COVID-19 pandemic, and it aims to lay a foundation that will enable them to grow their business in the months and years to come. The Program has three main components: a \$50 million investment to create a National Ecosystem Fund for Black-led organizations; \$158 million (a \$30 million investment from the Government of Canada and \$128 million from participating financial institutions) to build a loan fund for Black business owners and entrepreneurs; and a \$5 million investment for a Black Entrepreneurship Knowledge Hub<sup>1</sup>. These investments will help thousands of Black business owners and entrepreneurs across the country by providing them with access to financing, mentorship opportunities, financial planning services, business trainings and more.

Innovation, Science and Economic Development Canada (ISED) undertook a series of discussions with the Black Canadian community on the design and implementation of the program, further to the government's announcement on September 9, 2020, that it would be "working closely with Black business owners and Black-led organizations across Canada so that the new Black Entrepreneurship Program reflects the realities and needs of Black Canadians."

Discussions were held with the Black entrepreneurship community, specifically Black entrepreneurs and business owners, business organizations run by and serving the Black business community, academics and other key knowledge holders on Black entrepreneurship in Canada. A series of discussions (held virtually, in both English and French) were planned, and additional dates were added due to significant interest on the part of the community to be involved.

### **B. Who We Heard From**

Discussions were held over a 7-week period from September 9 to November 3, 2020. Discussion sessions were held virtually via MS Teams videoconferencing, and participants could dial into the session or connect by video. Over the course of this information-gathering phase, 11 virtual discussions were held with 125 participants in total and representation from 64 different organizations in the Black entrepreneurship ecosystem in Canada. In addition, separate phone calls and written submissions were received both as follow-up to the discussion sessions and in lieu of participation in the discussions, depending on the

---

<sup>1</sup> The amounts listed in these bullets do not include program operational costs. That is why they are not equal to the \$221M announced.

preferences of the participants. We asked the leadership of key groups in the Black entrepreneurship ecosystem to provide us with names of potential participants. We then asked those people for their involvement and also asked if they knew any other potential participants. In some cases, this resulted in additional discussions and, over the course of the consultation period, we doubled our initial number of sessions scheduled due to the overwhelming interest in the program. We also spoke to people over the phone and accepted input via email.

*Statistics*

Total number of virtual engagement sessions	11
Total number of organizations participating	64
Total participants in discussion sessions to date	125
Total written submissions in addition to or in lieu of discussion session	7

**C. Methodology**

The analysis for this report was done using a standardized content analysis method. Notes from the discussion groups as well as written submissions were reviewed. All comments were captured and coded, which allowed the themes to “emerge” from the transcripts. This report includes a high-level summary of the comments; a copy of the report with the number and percentage of coded comments is also available by request.

**D. Key Issues and Themes**

These are the key issues and themes that arose from the discussions and written submissions; they are general principles and applicable to all parts of the Black Entrepreneurship Program. Targeted input for different program components follows in section E.

*1. The type of support provided to Black entrepreneurs matters*

During the consultations, a great deal of the conversation revolved around the type of support that would be offered to Black entrepreneurs: in other words, the type of support matters. A wide variety of opinions were offered as to how the support through the program would be best structured. The following elements were raised most frequently by participants.

***Training and support services***

Training and other support services were the most frequently referenced needs for Black entrepreneurs. Participants suggested the need for a suite of tools and resources to provide business support services such as training, mentoring, coaching and capacity building. Much of the discussion focused on the need for wrap-around supports and, specifically, for tools that would allow new entrepreneurs to identify the opportunities in the market, to build

strong projects, and to be equipped to transition successfully into the different phases of business development and operations.

In addition, it was noted that entrepreneurs need access to data and training so that they are able to develop ideas into a concrete business plan in an efficient manner. Many participants stated that business supports should be available to entrepreneurs prior to the beginning of their entrepreneurial journeys as well as to entrepreneurs who have already started and may be scaling their businesses. Overall, the discussions and input reflected a need to offer a suite of supports to cultivate an ecosystem that relies on knowledge, best practices, and sustainable support and training. In other words, participants indicated that these types of support would give Black entrepreneurs access to knowledge, expertise, experience and many other resources while helping them begin to face and overcome systemic barriers and obstacles to business creation and growth.

### ***Funding and other supports***

The importance of funding for Black entrepreneurs was discussed extensively, and funding was identified as an extremely important element for entrepreneurs. Participants noted, however, that while funding alone is not the answer to every problem Black entrepreneurs face, it is a crucial element nonetheless. Many participants noted that funding should not be the sole support given to entrepreneurs but rather that it should be complementary to other types of support.

### ***2. Access to capital, lack of resources among support organizations, and data gaps continue to create barriers and obstacles for Black entrepreneurs***

A significant portion of the discussion focused on barriers to entrepreneurship for Black entrepreneurs.

### ***Access to capital***

The issue of access to capital was identified by many participants as the most important issue for Black entrepreneurs. Participants noted that access to capital is crucial for any entrepreneur and that Black entrepreneurs have more difficulty than other entrepreneurs accessing capital. Participants noted that this state of affairs is related to the way the banking system works, including racism and systemic bias in the banking system, and a lack of appreciation among mainstream institutions for the need for different approaches related to cultural differences.

### ***Access to data***

Participants also noted that business progress for many Black entrepreneurs is negatively affected by a lack of access to needed data, knowledge and business education. Participants noted their view that this is a universal challenge for entrepreneurs, but a challenge that is more acute for Black entrepreneurs.

***Capacity among support organizations***

Another key issue highlighted by participants was that organizations that are on the ground to support Black entrepreneurs do not have enough resources for this purpose.

3. *The program needs to be run by the Black Canadian community for the Black Canadian community*

Participants were uniformly of the view that the Black Entrepreneurship Program should be run by the Black Canadian community for the Black Canadian community. Nonetheless, as participants gave their vision for how this would be achieved, there was some diversity in opinions. First, while most participants believed it had to be done by and for the Black community, some participants said they believed that expertise was a critical factor and should not be ruled out in favour of cultural background. In other words, some participants felt that expertise should be prioritized over cultural background.

Participants agreed that experience, expertise and awareness of the specific needs and challenges Black entrepreneurs face are important elements in determining who should run the program. Finally, participants said they believed that the organizations in charge will need to demonstrate that their objectives and mandate are aligned with the program's objectives; show their willingness and ability to adjust the supports they offer and tailor them to the diversity of needs in the Black entrepreneurship community; be transparent and respectful to the Black community; and have history of working well with the Black community.

4. *The program should build on, and not duplicate, knowledge or services coming from other organizations*

Participants agreed on the need to learn from past or existing organizations, programs and frameworks in order to observe what works and to avoid duplication. Participants indicated that making program connections between relevant organizations to streamline program delivery for participants would be useful.

5. *The program must be flexible to a variety of different needs*

Participants discussed the need for adjustable programs in order to respond to the wide diversity of needs among Black entrepreneurs. In particular, they noted that there is a wide variety in terms of stages of business development; the sector in which businesses are operating in; the social reality of individuals looking for help as well as the variety of financial needs experienced by Black entrepreneurs, which are all important to take into account.

6. *The administration of the program should be flexible and responsive to a variety of needs*

Participants also thought that the administration of this program should be flexible and open and that definitions and parameters used should not be restrictive.

7. *What level of approach should this program favour*

Almost all participants agreed on the value of a decentralized and local approach, while a few noted it would also be important to have a model that recognizes and addresses the differences between regions and cities.

**E. Addressing Different Elements of the Black Entrepreneurship Program**

**Black Entrepreneurship Loan fund**

*1. Size and type of funding*

While discussing the Loan fund, the issue of the type and the size of the loans was identified by participants as the most important issue. One of the major suggestions that came out of the discussions is that the fund should provide grants (e.g. standalone, once entrepreneurs complete a program, or structured as a partially forgivable loan). In addition, participants highlighted that the loan amounts should not be preconceived and pre-set amounts but rather be based on the needs of entrepreneurs in question. That said, many participants agreed that the minimum amount of loan, should there be a requirement to set it, has to be lower than the \$25,000 that was announced (with \$5,000 being the amount the most referred to by participants).

**Black Entrepreneurship Knowledge Hub**

*1. Data collection*

The Knowledge Hub element of the program generated discussion about data collection. Participants underlined the extreme importance of trust and transparency in this initiative. They also said they believed that data could be collected from the organizations and programs themselves by the banks, the municipalities and chambers of commerce. They also noted the view that the data collection should be decentralized.

*2. Objectives and aims*

The second theme identified was about the objectives and aims that such an initiative should have. Participants agreed that it should create and utilize the knowledge collected; help drive policy change; help and support the Black Canadian community; and be integrated in the education, training, mentoring and coaching of Black entrepreneurs. Participants also raised that a different name for this element of the program should be considered.

*3. Main gaps in knowledge*

Participants also discussed the main gaps in knowledge that currently exist for Black Canadian entrepreneurs. While participants agreed on the fact that data is missing on entrepreneurship in general and Black entrepreneurship in particular, they also identified many other gaps such as the reasons access to services and capital is more difficult for Black entrepreneurs as well as where opportunities for success might exist and what the consumption habits of Canadians are. Participants strongly stated their view that data is needed to provide better

context around the situation and needs of Black entrepreneurs that would, in turn, ensure longer term success for their businesses and communities.

*4. Partnerships and collaboration*

Finally, the importance of true collaboration and partnerships were also key themes raised in the discussion of the Knowledge Hub. Participants underlined the general importance of this notion while emphasizing the crucial aspect of communication. The majority of participants said they believed a partnership with public institutions and academic institutions would benefit the program but that it was important that institutions involved understand and have experience with the Black Canadian community.

**Black Entrepreneurship Ecosystem Fund**

*1. Thoughts on defining a Black-led organization*

Participants discussed the definition of a Black-led organization and the pros and cons related to various ways to operationalize the definition. Participants noted that the definition should focus on elements of ownership, the mandate of the organization they represent, and experience and expertise. On the question of ownership, the following two positions were identified: that Black-led organizations should be at least be two-thirds owned by Black individuals; and that they should be owned by a majority of Black individuals (at least 50% +1). The majority of participants indicated the former point of view while fewer indicated the latter point of view. The following table shows how many times different focus areas were mentioned by participants:

Focus on ownership	23.91%
Focus on mandate	19.56%
Focus on expertise and experience	17.39%
Need of definitions/certification process	13.04%

*2. The question of intersectionality*

A significant majority of participants also thought it would be important that this program address the intersectionality within the Black Canadian community. Participants believe this program should consider every type of intersectionality, and that it should be inclusive of all minorities within the minority—with a particular focus on gender, youth, linguistic minorities and new Canadians. Participants also discussed the need for funds to flow to Black organizations as a priority, where they would be used to support the full diversity of the Black community rather than being flowed to other organizations that were not Black-led and run.

**F. Closing Statements**

December 14, 2020

At the end of every discussion, participants in the discussion were thanked and recognized for their time and knowledge and for their support in bringing in new participants in many cases. They were assured that the input provided would be used to help design and implement the Black Entrepreneurship Program, and invited to send further comments should they wish. Further discussions will continue as the Black Entrepreneurship Program moves forward.

Any additional questions or comments can be sent to [ic.bep-pecn.ic@canada.ca](mailto:ic.bep-pecn.ic@canada.ca).

Annex

**Organizations participating in the consultation process**

Access Community Capital Fund  
Afro Caribbean Business Network  
Arnold Marira Consulting Inc.  
B2BeeMatch  
Black Business and Professional Association  
Black Business Association of BC  
Black Business Initiative  
Black Cultural Society of PEI  
Black Professionals in Tech Network  
Black Women in Motion  
Blackmaple.io  
Boys and Girls Club of East Scarborough  
Bursity  
Business in the Streets  
Canadian Association of Urban Financial Professionals (CAUFP)  
Canadian Black Chamber of Commerce  
Canadian Women's Foundation  
Carifika Canada  
Centre d'encadrement pour jeunes femmes immigrantes  
Challenger Consulting & Associates Inc.  
City of Brampton  
Club Prospérité Diversité du Québec  
Coalition of Innovation Leaders Against Racism (CILAR)  
Co-Laboratorio Project  
Community Service Initiative at Concordia University's John Molson School of Business  
Congress of Black Women of Canada  
Connecture Canada  
Corporations Canada  
Côte-des-Neiges Black Community Association Inc.  
DMZ Black Innovation Fellowship  
Dream Maker Developments Inc.  
Dream Maker Ventures  
Durham Region Association of Black Professionals & Entrepreneurs  
Equation Sales Group  
Federation of Black Canadians  
Filaction  
Fonds Afro-Entrepreneurs de Filaction  
Glamorous Touch  
Groupe 3737  
HXOUSE  
Impact Strategic Group Inc.



Innovate Inclusion  
International Black Economic Forum  
Julian Simon Group Inc.  
Mappdom International Corp.  
New Haven Funeral Centre Inc.  
Orbis Tech  
OnePeopleTO  
Ontario Tech University  
Pitch Better Canada  
Rayarc  
Red Dot Digital Inc.  
Regroupement des jeunes chambres de commerce du Québec (RJCCQ)  
Salon International de la Femme Noire  
Sommet socio-économique pour le développement des jeunes des  
communautés noires (SdesJ)  
STREAM Infrastructure Partners Limited  
Westheights Productions