

INCLUSIVE ENTREPRENEURSHIP PROGRAMMES IN ROMANIA IN 2014-2020. THERE IS AN IMPROVEMENT COMPARED TO 2007-2013?

Anca Dodescu, Ioana Pop Cohuț

Department of Economics and Business, Faculty of Economic Sciences, University of Oradea, Oradea, Romania

otiliaanca.dodescu@gmail.com

ioanapopcohut@gmail.com

Abstract: *In addition to our previous research regarding inclusive entrepreneurship, this paper tries to analyse the progresses made by Romania in the field of entrepreneurship programmes for disadvantaged groups on labor market in 2014 - 2020 by comparison with the 2007-2013 period. The present paper aims to investigate whether Romanian inclusive entrepreneurship programmes for 2014-2020 both financed by the European Union (EU) and the Romanian Government respond to the specific needs of inclusive entrepreneurship target groups in the present context of Romanian SMEs development. The first part of the paper explores the dynamics of business creation in Romania and the sectors of interest for business creation as well as the strengths and weaknesses of the Romanian business environment and entrepreneurship policy. In the second part, the paper compares the two forms of inclusive entrepreneurship programmes financed by the EU and the Romanian Government. The main conclusion of the paper is that there is a clear improvement of the inclusive entrepreneurship programmes in Romania for 2014-2020 compared to 2007-2013 in the context of general improvement of Romanian business environment but existing reforms should continue.*

Keywords: *inclusive entrepreneurship; business creation; business environment; entrepreneurship policy; inclusive entrepreneurship programmes.*

JEL Classification: *E 24; J24; O38.*

1. Introduction

In addition to our previous research regarding women entrepreneurship in Romania (Dodescu et.al., 2010; Dodescu and Bădulescu, 2010; Bădulescu and Dodescu, 2010) and inclusive entrepreneurship and inclusive entrepreneurship policy in Romania in the European Union (EU) context (Dodescu and Pop Cohuț, 2015a; Dodescu and Pop Cohuț, 2015b; Dodescu, Pop Cohuț and Chirilă, 2017; Pop Cohuț and Chirilă, 2017), based on OCED/EC inclusive entrepreneurship framework (OECD/EC, 2013, 2017), this paper tries to analyse the progresses made by Romania in the field of entrepreneurship programmes for disadvantaged groups on labor market in 2014 - 2020 by comparison with the 2007-2013 period. We have previously found that target groups for inclusive entrepreneurship policy in Romania are especially youth (the most disadvantaged group), followed by women and rural people (Dodescu and Pop Cohuț, 2015a), the strengths of inclusive entrepreneurship policy in Romania in 2007-2013 are related especially with EU structural and agricultural funds, particularly, European Social Fund, and for the 2014-2020 period inclusive entrepreneurship policy must to focus on access to finance as key instrument (Dodescu and Pop Cohuț, 2015a; Dodescu and Pop

Cohuț, 2015b) and to design specific measures tailored on local needs (Dodescu, Pop Cohuț and Chirilă, 2017; Pop Cohuț and Chirilă, 2017). The present paper aims to investigate whether Romanian inclusive entrepreneurship programmes for 2014-2020 both financed by the EU and the Romanian Government respond to the specific needs of inclusive entrepreneurship target groups in the present context of Romanian SMEs sector development.

2. Business Creation in Romania the context of SMEs Development and Business Environment Improvement

With a density of SMEs at half the EU average, Romania aims to increase the density of active SMEs by over 50% by 2020, increase the total number of employees in active SMEs to 3,233,000 (+ 23.23%), increase the Gross Added Value of SMEs to 38,000 mil. (+ 41.83%), increase labour productivity to 11.754 (EUR / employee) (+ 15.09%) as shown the Romanian Government (RG, 2014a) Strategy for the development of Small and Medium Enterprises and improving the business environment in Romania - Horizon 2020 (RG, 2014a).

These bold goals are about to be met as shown the data provided by the Romanian National Trade Register Office (RNTR, 2017). Following declines in 2010-2015 as result of the economic and financial crisis, the net number of new businesses is recovering in 2016-2017, as seen in Table no. 1.

Table no. 1. New business registrations during the period January 1, 2017 – August 31, 2017, compared to the same period of 2016, Romania

No. of business registrations in the period January 1, 2017 – August 31, 2017													
OTH	COS	EEIG	EIG	FE	IE	ANP	JSC	LP	SLP	ES	CS	LLC	Total
3	93	1	2	1319	9998	17245	93	15	5	1	4	74157	102936
No. of business registrations in the period January 1, 2016 – August 31, 2016													
OTH	COS	EEIG	EIG	FE	IE	ANP	JSC	LP	SLP	ES	CS	LLC	Total
2	146	-	-	646	7956	15400	64	14	-	-	3	52460	76691

Source: (RNTR, 2017), Legend: OTH - Other state economic units not transformed in autonomous societies; COS Cooperative societies - Cooperatives and non-transformed agricultural associations; EEIG - European Economic Interest Grouping; EIG - Economic Interest Group; FE -Family enterprise; IE-Individual enterprise; ANP - Authorized Natural Person; JSC - Joint Stock Company; LP - Limited partnership; SLP Simple Limited Partnership; ES - European Society; CS - Collective Society; LLC – Limited Liability Company.

As it can be seen in Table no. 1, the total number of new businesses registered in Romania showed an increase of 34.22% during the first half of 2017 as compared to the same period of 2016, and largest increases were registered in the case of the following forms of organization: Limited Liability Companies (LLCs), an increase of

41.36%, followed by Individual Entities (IE) 25.67% and Authorized Natural Persons (ANP) 11.98%.

Also, the data and forecasts provided by the European Commission (EC) are optimistic too. In 2016, economic growth reached a peak in the post-crisis period (4.9%), and will remain solid in the next period, according to EC estimates: 4.4% in 2017 and 3.7% in 2018; the labour market has grown as result of economic growth and significant wage increases, and unemployment is approaching the low levels before the crisis and is projected to continue to decline over the period 2017-2018 (EC, 2017a). Romanian SMEs' value added increased by 44.6 % in 2012-2016, from all SME size classes - micro-firms are distinguished with an 86.6 % increase in value added (EC, 2017b). In 2016-2018 an estimated value-added growth of about 16.5 % is expected in all SME size classes and 59 200 new jobs are predicted to be created in SMEs, almost all of them in micro firms and small firms (EC, 2017b). In 2016, Romania recorded growth in SME employment in 2016 by 2 %, and SME value added increase by more than 5 % (EC, 2017c).

Looking at sectors, according with Annual report on European SMEs 2016-2017 (EC, 2017 c), the employment recovery in SMEs was most dynamic in services industries in Romania as well as in the EU-28 in 2017, but Romania registers the lowest shares (below 3 %) of the high-growth firms (EC, 2017b, c). On average in the EU-28, 'information and communication' and 'administrative and support services', followed by 'transportation and storage' and 'professional, scientific and high tech services' were the sectors with the highest rates of fast-growing firms that determined the strongest SME employment growth in 2017 (EC, 2017c).

According with Romanian National Trade Register Office (RNTRIO, 2017), as regards the areas of business creation interest in Romania (NACE codes), in 2017 - 'wholesale and retail trade; repair of motor vehicles and motorcycles' is situated on the first place with a share of 19.54% of the total registered businesses but, compared to the same period of 2016, the total number of business dropped by 15.12%. The trade sector is followed by 'agriculture, forestry and fishing' with a share of 11.79% of the total businesses created (with an increase of 35.21% compared to 2016) and 'manufacturing' with a share of 10.22% (with an increase of 164.99% % compared to the same period of 2016), as seen in Table no. 2.

Table no. 2. New business registrations during the period January 1, 2017 – August 31, 2017, compared to the same period of 2016, Romania

Name of the NACE section	No. of business registrations during the period January 1, 2016 – August 31, 2016	No. of business registrations during the period January 1, 2017 – August 31, 2017	Change
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	3	9	200,00%
Administrative and support service activities	2889	4687	62,24%

Name of the NACE section	No. of business registrations during the period January 1, 2016 – August 31, 2016	No. of business registrations during the period January 1, 2017 – August 31, 2017	Change
Arts, entertainment and recreation	2436	4599	88,79%
Professional, scientific and technical activities	6906	9399	36,10%
Public administration and defence; compulsory social security	13	14	7,69%
Agriculture, forestry and fishing	8974	12134	35,21%
Other service activities	3147	5594	77,76%
Wholesale and retail trade; repair of motor vehicles and motorcycles	23692	20109	-15,12%
Construction	6096	9475	55,43%
Water supply; sewerage, waste management and remediation activities	227	443	95,15%
Accommodation and food service activities	3647	5379	47,49%
Mining and quarrying	52	70	34,62%
Manufacturing	3933	10422	164,99%
Information and communication	3595	5978	66,29%
Financial and insurance activities	1387	966	-30,35%
Electricity, gas, steam and air conditioning supply	45	56	24,44%
Human health and social work activities	2236	2944	31,66%
Transportation and storage	4893	6966	42,37%
Real estate activities	1292	1752	35,60%
Education	1228	1940	57,98%
Total	76691	102936	34,22%

Source: RNTRO, 2017.

As seen in Table no. 2, the large majority of newly created firms in Romania were born in traditional (i.e. non-ICT) sectors, but the increase in the number of newly created firms, in 2017 compared to 2016, in 'information and communication' (66,29%) and 'professional, scientific and technical activities' (36,10%) is encouraging (RNTRO, 2017).

From the Small Business Act (SBA) perspective, Romania's SBA profile 2017 presents a mixed picture. From 2008 to 2017, Romania's SBA performance has visibly improved, especially for the following SBA principles: 'entrepreneurship' (Romania is the EU leader for this principle but this is the only area where the Romania scores above the EU average), 'second chance', 'responsive administration', 'state aid & public procurement', 'access to finance' and

'internationalisation' (in line with the EU average) (EC, 2017b). Also, there are bad news, too. Romania shows the lowest scores in the EU for the following SBA principles: 'single market', 'skills & innovation' and 'environment' (EC, 2017b). If the greatest progress is recorded for 'entrepreneurship', the most visible deterioration is recorded for 'skills and innovation'.

From our research perspective, the most important aspect of Romania's SBA profile 2017 is related with recognizing the existence of a significant number of policy measures between 2016-2017 in 9 out of the 10 SBA policy areas, including in areas where performance still scores low, such as 'skills & innovation' (EC, 2017b).

Even considers that the overall progress in implementing the SBA in Romania has been moderate until 2017, the EC recognizes the existing reforms and recommends that 'further reforms should continue, together with consolidation and enforcement of existing ones, with a view to promoting internationalisation, fostering innovation and ICT skills, and boosting SMEs' confidence in e-commerce transactions' (EC, 2017b). Except these, predictable legislation, simplification and modernisation of the business environment are the most important recommendations of the EC for entrepreneurship policy in Romania (EC, 2017b).

3. Romanian Inclusive Entrepreneurship Programmes for 2014-2020

Therefore, the highest level of potential entrepreneurship in the EU coexists with a density of SMEs at half the EU average, indicating that there is a potential untapped entrepreneurial spirit in Romania. In this context, the promotion of entrepreneurship and self-employment is a direction of action, present also in the national strategic documents -Governmental Strategy for the Development of the SME Sector 2009-2013, Governmental Strategy for Development of the Small and Medium Enterprises Sector and Improvement of the Business Environment from Romania - Horizon 2020; 2014-2020 Partnership Agreement; National Employment Strategy 2014-2020; National Strategy for Competitiveness 2014-2020; National Strategy on Social Inclusion and Poverty Reduction for 2015-2020 etc., the main objectives and priorities being as follows: increasing the number of SMEs, increasing the number of employees in SMEs, creating a business environment favourable to businesses, to private initiative and to entrepreneurial spirit, supporting the increase of the competitiveness of the Romanian business environment on the local, regional, national, European and international level (RG, 2011; RG, 2014a; RG, 2014d; RG, 2014e; RG, 2014f).

In order to support the promotion of entrepreneurship and self-employment for disadvantaged groups on labor market, especially youth, women, rural people, the funding opportunities for creating a business are primarily linked to European funds, but also to the national budget, as shown in Tables no. 3 and 4.

Table no. 3. Inclusive Entrepreneurship Programmes funded by the European Union, in Romania, in 2014-2020, open calls in 2017

Target group/ Mode of financing	Objectives	Tools of the entrepreneurial policy used
Priority Axes / Major Areas of Intervention for Inclusive Entrepreneurship / Programmes		
European Regional Development Fund - Regional Operational Programme (ROP) 2014-2020		

Responsible: Ministry of Regional Development and Public Administration		
2. Improving the competitiveness of SMEs		
2.1 Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and by encouraging the creation of new businesses, including through business incubators		
Micro-enterprises in urban areas which have been established at least one year prior Business Incubators and Accelerators Funding: Maximum 200,000 Euro (90%)	Objective: Strengthening the market position of SMEs in competitive areas	Access to funding Construction / upgrading and expansion of production / service space for SMEs/ incubators / business accelerators
The European Agricultural Fund for Rural Development - National Rural Development Programme (NRDP) 2014-2020 Responsible: Ministry of Agriculture and Rural Development		
6: Encouraging the diversification of the rural economy by promoting the creation and development of SMEs in non-agricultural sectors in rural areas		
6.2 Encouraging the diversification of the rural economy by promoting the creation and development of SMEs in non-agricultural sectors in rural areas		
Micro-enterprises in rural areas; farmers or members of agricultural households Funding: Maximum 70,000 Euro 50,000 Euro (100%)	Objectives: Creating new non - agricultural activities in general for small entrepreneurs in rural areas; Diversifying the rural economy by increasing the number of SMEs in the non-agricultural sector.	Access to funding Lump sum for financing non-agricultural activities in rural areas based on a business plan
6: Encouraging the diversification of the rural economy by promoting the creation and development of SMEs in non-agricultural sectors in rural areas		
6.4 Investments in the creation and development of non-agricultural activities		
Micro-enterprises in rural areas; farmers or members of agricultural households Funding: Maximum 200,000 Euro (90%)	Objectives: Stimulating business in rural areas, contributing to the growth of non-agricultural activities carried out in rural areas; Development of existing non-agricultural activities; creating jobs and reducing disparities between rural and urban areas.	Access to funding Lump sum for financing non-agricultural activities in rural areas based on a business plan
European Social Fund - The Human Capital Operational Programme (HCOP) 2014-2020 3: Jobs for All, 3.7 Increasing employment by supporting non-agricultural enterprises in the urban area Responsible: Ministry of Labour and Social Justice		
Romania Start-up Plus		
Natural persons (e.g. unemployed, inactive,	Objective: encouraging entrepreneurship and self-	Access to funding

people who have a job and set up a business to create new jobs) Funding: 40,000 euro/ business plan (100%)	employment by supporting the establishment of non-agricultural enterprises in the urban area.	The Entrepreneurship Scheme Administrator will implement the Entrepreneurship Scheme: Stage I - Entrepreneurial training Stage II - Implementation of funded business plans Stage III - Programme to monitor the functioning and development of funded businesses
Diaspora Start-up		
Natural persons (e.g. unemployed, inactive, people who have a job and set up a business to create new jobs) Funding: 40,000 euro/ business plan (100%)	Objective: encouraging entrepreneurship and self-employment by supporting the establishment of non-agricultural enterprises in the urban area.	Access to funding The Entrepreneurship Scheme Administrator will implement the Entrepreneurship Scheme: Stage I - Entrepreneurial training Stage II - Implementation of funded business plans Stage III - Programme to monitor the functioning and development of funded businesses
Romania Start-up Nation		
Micro-enterprises, small and medium-sized enterprises Funding: Maximum 200,000 lei/business plan, (80%)	Objective: Increasing employment by supporting non-agricultural enterprises in the urban area	Access to funding Encouraging entrepreneurship and self-employment by supporting the development of non-agricultural SMEs in the urban. At least 2 permanent and full-time jobs will be created. Work must be maintained for a full period of at least two years after the date of payment.
European Commission Funds - GD Enterprise and Industry		
Erasmus Programme for Young Entrepreneurs		
Young entrepreneurs Funding: Grant funds	Objectives: Providing on-job training for new entrepreneurs in small and medium-sized enterprises elsewhere in the EU; facilitate exchanges of experience and information between entrepreneurs.	On-job-training - allows young European entrepreneurs to spend up to 6 months working together with an experienced entrepreneur from another EU country to learn how to develop and improve their own business.

Source: Compiled by the authors, based on ROP (POR) 2014-2020 data. General Guide with Annexes, available on-line: <http://www.inforegio.ro/ro/por-2014-2020/ghid-2014-2020.html>; HCOP (POCU) 2014-2020, Open call Guides, <http://www.fonduri-structurale.ro/program-operational/2/programul-operational-capital-uman>, NRDP (AFIR), available on-line: <http://www.afir.info/>; Erasmus for Young Entrepreneurs, available on-line: www.erasmus-entrepreneurs.eu.

Table no. 4. Inclusive Entrepreneurship Programmes funded by the National Central Budget, in Romania, in 2017, open calls in 2017

Target group / Mode of financing	Objectives	Tools of the entrepreneurial policy used
Responsible: Ministry of Business, Trade and Entrepreneurship, Territorial Offices for SMEs and Trade		
START-UP NATION 2017 Programme		
Potential entrepreneurs and SMEs Funding: Maximum 200,000 lei (100% of eligible costs)	Objectives: Encouraging and stimulating the establishment and development of SMEs, Creating new jobs, The insertion on the labour market of disadvantaged persons, unemployed and graduates, Increasing investment in innovative new technologies.	Access to funding Support for start-ups, support for the development of small and medium-sized enterprises De minimis funding based on a business plan
Programme for the development of market activities for market products and services - TRADE - SERVICES Programme 2017		
SMEs Funding: Maximum 250,000 lei (90% of eligible costs)	Objectives: Encouraging and stimulating the development of small and medium-sized enterprises Strengthening the capacity of economic operators to promote market products and services; Develop and modernize the activity of traders and service providers.	Access to funding Support for economic operators by facilitating access to finance, improving their economic and technical performance, adapting to market requirements. Creating and maintaining jobs, Enhancing consumer protection and food security.
Programme for the SUPPORT OF CRAFTMANSHIP 2017		
SMEs, cooperative societies, authorized natural persons, individual enterprises, family businesses, and professional associations or foundations Funding: Maximum 2000 lei / beneficiary for transport and maximum 1600 lei / beneficiary for accommodation	Objectives: Stimulating the development of crafts and small industries in Romania, Strengthening the class of craftsmen, Protecting jobs that involve a large number of manually executed tasks in their practice Re-launch of traditional products and products including popular art and craft items, Promoting these products and services on national and international markets.	Encourage participation in fairs, networking Supporting craftsmen in promoting their own products and preserving and stimulating wider promotion of local traditions There is free participation in the fair for the selected applicants after enrolment in the programme. Within the national fair, eligible beneficiaries will be able to present their own products.
EMPRETEC Programme		

Existing or potential entrepreneurs, top managers, including specialists from public or private organizations supposed to behave in an entrepreneurial or managerial manner Funding: 504,000 lei for 100 beneficiaries	Objectives: Supporting the development of small and medium-sized enterprises, creating new jobs, increasing the number of small and medium-sized enterprises able to cope with competition and competitive forces in the conditions of globalization of markets.	Training: The UNCTAD EMPRETEC Romania workshops are funded to support the development of SMEs in areas of interest for the development of entrepreneurial abilities in order to acquire the theoretical knowledge and practical applicability needed to start and develop a business.
SME FAIR 2017 Programme		
Micro-enterprises set up by business start-up entrepreneurs, authorized natural persons, individual enterprises and family businesses, professional associations or foundations Funding: Total budget 5.000.000 lei, it is estimated that de minimis aid will be granted to 4000 beneficiaries	Objectives: promoting entrepreneurship, stimulating business development and employment in the SME field, facilitating contacts between potential entrepreneurs / SMEs / economic agents / public or private institutions providing services to the SME sector, in order to increase the number of successful entrepreneurs and improvement of the economic and technical performances of SMEs, stimulating and supporting innovative SMEs.	Encourage participation in fairs, networking Organizing FSME 2017 , in the 8 development regions of Romania, for a period of minimum 3 days. The programme is an integral part of the <i>European SME Week 2017</i> .
MICROINDUSTRIALISATION 2017 Programme		
SMEs that operate in the industry sector (eligible NACE codes) Funding: maximum 90% of the value of the eligible project costs, maximum 450,000 lei / beneficiary; Own contribution - at least 10%	Objectives: Supporting investments in priority economic sectors - eligible NACE codes, such as: Food Industry; Manufacture of textiles; Manufacture of apparel and so on; Tanning and finishing of hides; etc. Increase the volume of activity and competitiveness of SMEs in these sectors.	Access to funding De minimis aid schemes for implementing business plans
INTERNATIONALISATION 2017 Programme		
SMEs operating in certain areas (eligible NACE codes) Funding:	Objectives: Stimulating the business environment by creating new tools for the individual promotion of Romanian SMEs to facilitate their	Access to funding De minimis aid schemes to support the access of eligible Romanian economic operators to external markets

200,000 euros, the equivalent in lei, respectively 100,000 Euros for the beneficiaries	access to foreign markets and the development of partnerships for internationalization.	
Multi-annual national programme for the development of entrepreneurial culture among women SME managers - WOMEN MANAGERS 2017		
Female managers Funding: 50,000 lei/ Beneficiary (90%)	Objectives Improving the economic performance of existing women-led businesses by accessing sources of funding from the state budget; Stimulate self-employment and increase the number of female entrepreneurs in the business community;	Access to funding Start-up support De minimis aid based on a business plan
National Credit Guarantee Fund for Small and Medium Enterprises (FNGCIMM)		
SME Credit Guarantee Program		
SMEs	State-guaranteed loans	Access to funding State-guaranteed loans

Source: Compiled by the authors, based on the data from the Ministry of Business, Trade and Entrepreneurship, Directorate of Entrepreneurship and Programmes for SMEs available on-line: <http://www.aippimm.ro/> FNGSIMM, available on-line: www.fngcimm.ro.

From the analysis of the two categories of programmes, we can distinguish the following aspects: although they have similar objectives such as strengthening the market position of SMEs in competitive areas, increasing the volume of activity and competitiveness of SMEs (ROP and Trade - Services Programme 2017, EMPRETEC programme, Micro industrialisation programme 2017), they differ greatly in the fact that the European funding programmes have a multi-sectoral dimension, while national programmes focus on one or more sectors targeted by the activity.

Some national programmes have different specific objectives: stimulating the business environment by creating new tools for the individual promotion of Romanian SMEs to facilitate their access to foreign markets and the development of partnerships for internationalization (Internationalization Programme 2017), state-guaranteed loans (SME Credit Guarantee Programme); for both categories of programmes, we identify specific targets for vulnerable target groups: the European youth entrepreneurship stimulation programme (Erasmus for Young Entrepreneurs Programme) and the women managers' support programme (Women Managers 2017). There are overlapping objectives and programmes: Start-up Nation programme funded by European funds and Start-up nation 2017 programme funded by national funding. Although there is a major potential for the development of agricultural activities in Romania, as well as an increase in the concern of Romanian entrepreneurs in the initiation of agricultural businesses (the share of agribusiness created in 2017 represents 11.79% of the total number of initiated businesses and represents an increase of 35.21% compared to 2016), we see that finance and incentive programmes for businesses in rural areas, especially those funded by European funds, have as objectives the development of non-agricultural businesses

- the creation of new non-agricultural activities, generally for small entrepreneurs in rural areas; diversifying the rural economy by increasing the number of micro and small enterprises in the non-agricultural sector; the development of existing non-agricultural activities (NRDP); encouraging entrepreneurship and self-employment by supporting the establishment of non-agricultural enterprises in the urban area (Start-up Plus, Diaspora Start-up, Start-up Nation).

For both categories of programs, we have identified similar conditions for providing funding for job creation and preservation these at certain time intervals. For example, to the ROP 2014-2020 Programme, the condition is to increase the average number of employees as a result of the project implementation and the obligation to keep the average number of employees so achieved for a period of 3 years from the completion of the final payment, or the average number of employees maintained at least at the level recorded in the last fiscal year before the application for funding, for the entire duration of the grant contract and for the project's sustainability. Also, the Romania Start-up Plus and Diaspora Start-up programmes, the specific conditions are related to the employment of at least 2 persons in the funded business and the obligation to maintain jobs for a minimum of 18 months during the implementation period and the project's sustainability. For Start-up Nation and Start-up Nation 2017 programmes, beneficiaries must create at least one full-time job for an indefinite period and maintain their employment for at least 2 years after the project implementation is completed. In the National Micro industrialisation Program 2017, the beneficiary has the obligation to employ at least 2 employees for an indefinite period of time and to keep the number of existing jobs at the date of application opening and the number of jobs created by the program for a period of 3 years from the year following the receipt of the allowance financial non-reimbursable funds.

4. Conclusion

Although there is a clear improvement of inclusive entrepreneurship programs in Romania for the period 2014-2020 as compared to 2007-2013 in the context of the overall improvement of the Romanian business environment, the European and national funding programmes for inclusive entrepreneurship are faced with difficulties in implementing and monitoring the sustainability of newly developed or newly created businesses. The development and financing of a business plan as required by certain programmes funded by European funds (Start-up, Diaspora Start-up) and national (Start-up Nation 2017) are not enough for potential entrepreneurs from disadvantaged groups on labor market, the survival of a new business and the maintenance of the created jobs depend to a large extent on personalized counselling and monitoring services, at least for the first 2 years after the business creation.

Besides the difficulties connected by signing the financing contract and obviously the pre-trial process, the difficulties related to excessive bureaucracy, the complexity of the sometimes ambiguous legislative aspects, the procurement procedures etc., we consider that for a beneficiary of funding non-reimbursable, in the current labour market conditions, the creation of new jobs and especially their preservation over certain imposed periods are the most difficult conditions to fulfil. Creating and developing a business is not always linked to an increase in the number of employees, for example, the acquisition of performing machines may even reduce the number of jobs from the point of view of business efficiency.

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