

Problems of Romanian SMEs with tapping EU structural funds

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Abstract

Romanian SMEs can directly benefit from the Sectoral Operational Programme “Increase of Economic Competitiveness” (SOP IEC) and some parts of the Regional Operational Programme (ROP) in the 2007–2013 period. There has been wide interest for these subsidies on behalf of SMEs but major problems emerged with the implementation of projects. These are mostly related to the poor preparation of the projects, their cumbersome approval and the unfavourable general economic conditions in the country. The paper relies on information compiled by a survey and several focus groups run with SME in early 2011. These reveal that Romanian SMEs are at a rudimentary stage of skills, organization and market knowledge. Their development aims are rather short-term and not very complex. They lack the knowledge, expertise and staff to participate in complex tenders and in application processes which explains their high failure rate with EU financed projects. Learning by doing is, however, improving their skills and capacities. However, the design and structure of the EU programmes are also deficient in supporting the development of SMEs in need of more simple and transparent mechanisms which they can understand and cope with.

Key words: SMEs, EU support programmes, Romania

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