



**C2E Project - Newsletter
Habilitas**

Entrepreneurship in Romania

Romanians trust their own potential, want to be their own masters, and want to start an entrepreneurial project, but they are afraid of the uncertain beginnings, and would like more encouraging policies in the field, entrepreneurial education included.

39% of the young Romanians under 35 want to start their own business, while 43% of the Romanians say they would not give up their dream of starting a business, according to Amway Global Entrepreneurship Report (AGER) 2018. AGER report uses Amway Entrepreneurial Spirit Index (AESI) index which measures the desire to start one's own business, the feasibility of the prospect of being an entrepreneur, and the stability of the desire to be an entrepreneur, despite discouragement from the social environment. The report also reveals that the higher the age, the lower the appetite for the development of entrepreneurial projects. Thus, 25% of the 35-49 y.o. Romanians want to be entrepreneurs, while the percentage of the Romanians of 50+ is only of 12%. The education level of the respondents also makes a difference. 35% of the Romanians with higher education trust in the feasibility of a business start-up, while only 16% of them without higher education think so. Speaking of gender, 21% of women in Romania, and 26% of the men wish to become entrepreneurs. Romania ranks 9th according to the percentage of female entrepreneurs from 57 countries in 5 geographic regions, according to Mastercard Index of Women Entrepreneurs 2018. Thus, 28.9% of Romanian entrepreneurs are women, the percentage rising 27,5% compared to the previous year. Romania is, however, only on the 32nd position of 57 countries according to the conditions and opportunities for development for female entrepreneurs, three places lower than last year.

At the end of 2016, in Romania there were active about 720,000 companies (Eurostat), with a cumulated turnover of about 300 billions euro, Romania ranking second at European level as a growth rate in terms of the number of active companies registered in 2016 compared to 2008. However, Romania ranks last in terms of the number of companies per one thousand inhabitants, business people saying financial education and fiscal stability can boost the Romanian business appetite.

According to the official data of the National Trade Register Office (ONRC), between 1.01-30.06.2018 the number of newly established companies in Romania was 71,473, 9.81% lower than the same period of 2017.

Compared to the same period (1.01-30.06.2017), in 2017, the number of new start-ups was on an upward trend, reaching 79,251, with 31.23% more than in the same period of 2016. The causes that led to a significant difference in the number of registrations in the first 6 months of 2018 compared to 2017 were diverse, the most important being the marked



instability of tax legislation recorded in the first quarter of 2018, as well as the huge volume of normative acts adopted. The counties that registered the highest number of newly established companies were, in 2017, as well as in 2018, Bucharest, Cluj and Timis counties.

In Romania there are active two major grants programmes for business start-ups – Start-Up Nation, and Start-Up Plus. The Start-Up Nation programme offers up to 200,000 lei (about 43,000 euro) for each winning firm. In the Start-Up Plus programme, a maximum of 40,000 euro can be awarded. Start-Up Nation can be accessed throughout Romania, villages and towns. Start-Up Plus can only be accessed by businesses launched in the cities, except for Bucharest and Ilfov County.