



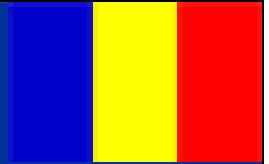
Romania

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Fostering High-Growth Start-Ups in Two Cities Affected by Massive Lay-offs

On October 2, 2006, the United Nations Development Programme (UNDP) in Romania opened a Business Incubator in Brasov. The incubator will provide 20 private start-up ventures, selected for their most innovative ideas and best business plans, the necessary means to develop their business and, in three years time, become freestanding SMEs generating new jobs, supporting the local economy and attracting foreign investment to the region.

Initiated by UNDP Romania in early 2005 with a pilot-phase, the *Establishment and Development of Business Incubators* project rapidly worked to set up three business incubators in the counties of Brasov, Alba and Covasna. The project that supports regions affected by substantial layoffs from the state sector, presently facing high unemployment rate and poor entrepreneurial activity.



Sf Gheorghe incubator...before

At the ribbon-cutting ceremony in Brasov H.E. Ms. Soknan Han Jung, UNDP Resident Representative/UN Resident Coordinator, H.E. Mr. Kanji Tsushima, Ambassador of Japan and Mr. Aristotel Cancescu, President of the Brasov County Council participated.

"Business incubators provide an effective mechanism to foster SME start-up and growth and are considered effective tools for the complex support that start-up businesses require. They successfully complement other non-financial and financial mechanisms for SME support, providing entrepreneurs with the means to start and operate businesses in a faster and more efficient manner," said Ms. Jung, UNDP RR/UN RC.

The premises were completely refurbished with financial support from UNDP and the Brasov County Council and turned into a high-standard incubator, ready to host 20 SMEs and "nurture" their business, until



Sf Gheorghe incubator...after

they become self-sustainable. *"We will do all our best to help tenants grow into dynamic and competitive SMEs, as their successful "graduation" from the incubator will lead to increased employment and economic growth"*, assured Mr. Doru Dima, the Incubator Administrator.

At the "Days of entrepreneurs" event held in Sf. Gheorghe on 29 September 2006, UNDP launched another Business Incubator - "Vállalkozói Inkubátorház," in a region with a large population of ethnic Hungarians. Although Covasna County entered the programme last and had to complete costly and difficult renovation works, the new facility was made ready in very short time.

"The incubators will play a crucial role in generating economic activity, promote sustainable businesses, and generate long term employment in the region", Mr. Thore Hansen, UNDP Deputy Resident Representative said.



From right to left: Kanji Tsushima, Ambassador of Japan; Soknan Han Jung UNDP RR/UN RC and Aristotel Cancescu, President Brasov City Council cutting the ribbon in Brasov.

Both events brought together senior central and local Government officials, who reiterated their commitment to continue supporting UNDP's initiative. The third business incubator will open at the end of October in Alba Iulia.



From right to left: Janos Demeter, President Sf. Gheorghe County Council; Thore Hansen, UNDP DRR; Gabriela Tasca, Consultant NASMEC and Laszlo Borbely, Minister cutting the ribbon in Sf. Gheorghe.

For more information, please contact UNDP Romania's Socio-Economic Section at socio-eco.ro@undp.org.