



Beneficiary:



Young Entrepreneurs Proposals



Young Entrepreneurs Day at
European Parliament

2017

This project has been funded with support from the European Commission.
This publication reflects the views only of the author, and the Commission cannot be held responsible
for any use which may be made of the information contained therein.

Content

1. About the project “Young Entrepreneurs Day at the European Parliament”	3
2. About the beneficiary: Young Entrepreneurs Association from Romania (YEAR)	5
3. “Young Entrepreneurs Day at the European Parliament” Event:	11
PROBLEMS OF THE YOUNG ENTREPRENEURS & DIRECTIVE LINES TO BE FOLLOWED - INITIATIVES TO LAUNCH IN ORDER TO SUPPORT THE ENTREPRENEURSHIP AND YOUNG PEOPLE	14
4. Conclusions	19
5. Contact information	20

1. About the project

“Young Entrepreneurs Day at the European Parliament”

Project name

Young Entrepreneurs Day at the European Parliament

Financing

Co-financed by the European Union in the frame of the European Parliament’s grant programme in the field of Communication

Beneficiary

Young Entrepreneurs Association from Romania

Period

November 15, 2016 - May 14, 2017

Objective

The Young Entrepreneurs Day at the European Parliament main objective is to promote the European Parliament’s identity, role and political nature as the only democratically elected European institution, but also to generate an active debate on the topic of entrepreneurship between different stakeholders.

Activities

1. Organize 1 Young Entrepreneurs' Day at the European Parliament event (April 24, 2017, Brussels, Belgium - European Parliament).
2. Implement 1 information campaign on social media at national level on EP's activities targeting over 10.000 persons.
3. Draft and print 1 statement document result - statement issued after the Young Entrepreneurs Day event in the European Parliament.
4. Activities to promote the event.

50 young entrepreneurs from Romania and other 18 Member states will be part of the debates organized on April 24, 2017. The topics of the discussions will concern the actual and future policies and programs on entrepreneurship. All the participants will be invited to raise problems on the topic and make proposals on a better framework for economic development. Thus, new policies will be generated from the debate with the feedback that the real entrepreneurs will offer to the MEPs.

2. About the beneficiary: **Young Entrepreneurs Association from Romania (YEAR)**

The Young Entrepreneurs Association from Romania (YEAR) is the only organization that represents at national and European level the interest of its members, young entrepreneurs aged between 18 and 40 years.

YEAR's members can be only SMEs owned by youth. YEAR has 1000 members (with free registration and 0 membership fee), 8 regional (YEAR South-East, North-East, North-West, West, Center, South-West, South, Bucharest) and 5 local offices (YEAR Constanta, YEAR Suceava, YEAR Timis, YEAR Sibiu, YEAR Cluj-Napoca). YEAR is a national NGO, operating at European level through its Board of Directors, the long term organization's objective being setting up a YEAR office in each of the 41 counties. Having a history of over 10 years of activity, YEAR is member of the main entity dedicated to support SMEs at national level – National Council of SMEs and the biggest European organization of young entrepreneurs (with 300.000 members) – Young Entrepreneurs of the European Union (JEUNE). Between 2012 and 2014, JEUNE's presidency was ensured by YEAR's president.

YEAR's activity concerns two main **objectives**: to represent its members **by ensuring SMEs' representativeness** in the dialogue with the public sector, main actors in building programs and policies and to promote entrepreneurship among young people as an option of a successful career.

The services that YEAR is offering to its member are:

- free business consultancy;
- daily information materials on business sector;
- networking events;
- interviews on the online television;
- yearly reports on entrepreneurship;
- mentorship and business angels.

On the other hand, YEAR has proposed and launched a **start-up law that offers all debutants in business to launch SMEs** with no taxes and to receive a 10.000 euro grant with an online application. In 5 years the main results are 30.000 new businesses and at least 50.000 new jobs. As part of the European activity, YEAR has organized 2 events dedicated to create a direct dialogue between its members, stakeholders and the representatives of the European institutions.

In 2012, the first **Young Entrepreneurs Day in the European institutions** was organized in partnership with the EP and EESC and JEUNE. The schedule included meetings at the EP and EESC, while guest speakers were Dacian Ciolos – Commissioner on Agriculture,

JEUNE's Vice-presidents from Hungary, Poland, France, and Italy, MEPs Marian Jean Marinescu and Edit Herczog, Eve Paarendson – Vice-president of EESC. The results of the debates have concerned: one common law for setting up a company in Europe; a European Investment Fund to finance start-up companies; more funds for the programs stimulating young entrepreneur; academic business incubators; support for business internationalization; European common curriculum for entrepreneurial education.

In 2015, YEAR in partnership with the EP has organized the Youth Social and Economic European Forum. The event was focused on the issue of youth unemployment and the solutions that could come from the European Union, the European institutions and the political groups in the EP. Several directions have been proposed by the participants as follows: a youth guarantee in order to focus the funds on decent job creation; public services in order to make them focus more on young people; review of the entrepreneurship facilities in order to stimulate young people; incentives for company creation by developing a first company program; a youth methodology based on non-formal education and mentoring.

Other relevant activities:

- campaign for awareness-raising, training and information for the Romanian young entrepreneurs, through a series of thematic meetings focused on collecting young people proposals and suggestions regarding the legislative framework, economic policies for youth, fiscal facilities for youth, administrative regulations (Ministry of Youth and Sport - “The first Company”-2009);

- improving the quality of the youth information system by developing a virtual debate platform aiming to ensure a better understanding of the European citizen concept among the Romanian youth (Youth in Action - “Young European Citizens in Action – YouEuroCitizen”-2009);
- intermediary Organization for the cross-border exchange programme “Erasmus for Young Entrepreneurs” (EYE) (in the following EYE projects: “OPEN EYE” 2009-2010, “GROWING-UP” 2013-2015, “GROWING-UP II” 2014-2016);
- training/ retraining of employees in the food and catering industry for the following positions: baker, pastry-chef and waiter (Sectoral Operational Programme Human Resources Development - “Vocational education - the first step to success” 2011-2012);
- creating the first network of Female Entrepreneurship Mentors by selecting 14 successful women entrepreneurs acting as mentors for 42 women entrepreneurs, with the aim of enhancing women’s role in the business environment at national and European level (Entrepreneurship and Innovation Programme EIP - “The National Network of Mentors for Women Entrepreneurs - MENTORnet” 2011-2012);
- facilitating labor market insertion of students through a series of actions aiming to develop their personal and managerial skills, in order to improve their transition from school to active life (Sectoral Operational Programme Human Resources Development - POSDRU - “Managerial Simulation - the prospect of a successful career” 2012-2013);
- stimulating the economic activity of the Romanian youth by implementing a national promotion campaign for existing

entrepreneurship support measures (Ministry of Youth and Sport - “StartUp ROMANIA” 2013);

- increasing the employability of youth aged 18 to 35, by stimulating their economic activity (Ministry of Youth and Sport - “Entrepreneurship and employability” 2013);

- developing an European common methodology for the non-formal entrepreneurial education applicable in business incubators (Youth in Action Program - “Non-formal business” 2013-2014);

- operationalize a guarantee scheme for youth who did not graduate from baccalaureate and who do not have a job, from the development regions Bucharest-Ifov, South-West Oltenia, South Muntenia and South-East, in order to facilitate their access to the labor market (POSDRU – partner in “YOUth Guarantees!” 2013-2015);

- facilitating the transition from school to active life, increase employability and improve personal and professional skills for students from the Bucharest-Ifov region, by providing access to information, counseling and professional orientation services for 360 students enrolled in the national education system and organizing and conducting practical training for a number of 250 students (POSDRU - “Practice of excellence for career success!” 2014-2015);

- facilitating the transition from school to active life of 7,000 students enrolled in the national education system - through a series of counseling activities, vocational guidance and innovatory actions that will lead to the development of entrepreneurial skills and work skills necessary for their insertion on the labor market (Sectoral

Operational Programme Human Resources Development – partner in “SIMPRACT-Transition from school to active life through practice and creation of simulated enterprises” 2014-2015);

- reduction of gender inequalities existing in Romanian society by encouraging participation in the labor market and the development of women’s entrepreneurship in all 8 Development Regions of the country (Sectoral Operational Programme Human Resources Development - “National Network of Female Entrepreneurship Mentors - MENTORNET 2”;
- active involvement in the development, implementation and monitoring of Governmental Ordinance 6/2011 on stimulating the establishment and the development of micro-enterprises by young entrepreneurs;
- official partner of the Ministry of Education, Research, Youth and Sport in the implementation and deployment of the BUSINESS PLAN Competition for simulated enterprises;
- regular organization of the Young Entrepreneur’s Day in the European institutions;
- organizing the event “Startup Roadshow - Secrets of a Successful ICT start-up” that promotes IT entrepreneurship among the youth and examples of good practice-2014;
- a portfolio of over 30 projects implemented for young people and other human resources.

3. “Young Entrepreneurs Day at the European Parliament” Event

PROBLEMS OF THE YOUNG ENTREPRENEURS

The Young Entrepreneurs Association from Romania with the support of MEP Victor NEGRESCU and in collaboration with Young Entrepreneurs of the European Union – JEUNE, EU40 – The Young MEPs Network and Finnova Foundation organized the “Young Entrepreneurs Day at the European Parliament” event, which took place on Monday 24th April 2017, in the European Parliament – Library Hall.

The general objective was to promote the identity of the European Parliament, its role and its political nature as a democratically elected European institution by presenting the European Parliament as a legislator and establishing a direct dialogue with young entrepreneurs.

More than 50 young entrepreneurs from 18 EU Member States took part in the debates organized during the event. Romania was represented by a delegation of 30 young entrepreneurs from different fields of activity. Participants were invited to raise concerns about policies and programs dedicated to entrepreneurship at European level and to make proposals for building a better framework for economic development.

At the event took part, as speakers, **representatives of: the European Commission, the European Parliament, the European Economic and Social Council, the European Union Youth Entrepreneurs Organization - JEUNE, as well as other institutions with an impact on entrepreneurship:**

- **MEP Victor Negrescu**
- **Florin Jianu**, National Council of Private SMEs in Romania
- **Gonçalo Lobo Xavier**, Vice-President EESC
- **Pēteris Zilgalvis**, J.D. - Head of Unit, Startups and Innovation, Digital Single Market Directorate, DG CONNECT and Co-Chair, FinTech Task Force, European Commission
- **Katerina Nejdlova**, Unit H2 - Enterprise Europe Network and Internationalisation of SMEs, DG GROW, European Commission
- **Patrik Kovacs**, President of Young Entrepreneurs Organization of the European Union – JEUNE
- **Florentine Hopmeier**, Team Leader – Investment Plan for Europe, European Commission
- **Juan Manuel Revuelta**, Director Finnovaregio Foundation
- **Bogdan Deleanu**, Administrator for Relations with the European Parliament, EESC / EUROPULS
- **MEP Dita Charanzová**
- **MEP Tomas Zdechovsky**
- **Jakub Lajmon**, Member Young Entrepreneurs Organization of the European Union – JEUNE
- **Ewan Gaffney**, Member Young Entrepreneurs Organization of the European Union – JEUNE

The event included **2 plenary sessions** dedicated to establish a direct dialogue between the 50 young entrepreneurs attending it and the MEPs and other representatives of the European institutions.

The topics of the discussions were referred to the actual and **future policies and programs on entrepreneurship**. All the participants were invited to raise problems on the topic and make proposals on a better framework for economic development. Also, the entrepreneurs were informed on the main initiatives to launch in order to support the entrepreneurship and young people. The MEPs have received an immediate feedback on the proposals and new ideas on the main problems that the young entrepreneurs are facing. One of the biggest problems that the European Parliament is facing related to the Member States concerns the lack of knowledge about the EU and the lack of public debate (European Elections 2014, Analytical Overview).

Thus “Young Entrepreneurs Day at the European Parliament” event, new policies will be created, new ideas will be born and the feedback that the entrepreneurs offered to the MEPs and to the ones who create programs will be very useful in designing more adapted instruments to their real needs.

PROBLEMS OF THE YOUNG ENTREPRENEURS & DIRECTIVE LINES TO BE FOLLOWED - INITIATIVES TO LAUNCH IN ORDER TO SUPPORT THE ENTREPRENEURSHIP AND YOUNG PEOPLE

Bureaucracy – the administrative environment for setting up and conducting a business activity is very difficult due to bureaucracy (the most important of the problems faced by young entrepreneurs). Inefficient public administration which stands for numerous administrative obstacles, excessive and unstable regulations. Legislative change is often dictated by interest groups, legislative procedures are bureaucratic and the paperwork is very complex.

Debureaucratization – simplification of the legal framework in order to start a new business, simplification of procedures applicable to the business environment. It will be very useful for young entrepreneurs to have access to an online platform with the basic of legal rules for functioning of a company, which will centralize all normative acts related to the business environment as well as the national institutions with responsibilities in their application.

Ivory tower effect of the central administration – Young entrepreneurs face more and more with the lack of real understanding of the real world from the central administration.

Preparing and organizing events or other actions to facilitate the communication between young entrepreneurs and national institutions, so that they connect to the realities of the business environment. **Consolidation of the social dialogue.**

Instability of the political system – that generates an unstable climate and lack of confidence from the business environment.

Applying national stability measures which will lead to the creation of a stable business environment.

Fiscal uncertainty and level of taxation – taxation and regulation have worsened lately in Romania.

Favorable tax rates and simple regulations – that will increase the number of entrepreneurs, which will bring back to the state and the community significant revenues from taxes and create many jobs. It is important to have lower taxes for SMEs and a low level of taxes for the first 3-5 years of a Start-up.

Constant change of the fiscal code – which directly leads to the instability of the business environment.

Predictability of the tax environment – creating consistent and predictable procedures that will lead to better budgeting and building of adequate long-term strategies for young entrepreneurs.

Legal framework uncertainty – the legal system in Romania is too difficult to follow, it's taking too much to be up to date with all the legal requirements. The lack of clarity and the interpretability of regulations are factors that facilitate the phenomenon of bureaucracy and corruption. Also, there are aspects that are missing or are unclear in multiple EU member states, including Romania.

Improve the legal environment – Carrying out actions for developing a proper legal framework for business in all areas of activity, a clear, efficient and simplified legislative framework: through dismantling and simplifying it, reducing bureaucracy, improving the attitude of civil servants and state institutions towards entrepreneurs, but also through predictability and legislative stability.

Poor Entrepreneurial education – the education received by the youth from Romania does not prepare them to become entrepreneurs.

Improving Entrepreneurial Education – it is necessary to take measures such as:

- Integration of entrepreneurship programs in schools (general and high school) so that the knowledge and overall quality of young entrepreneurs is enhanced.
- Promotion of entrepreneurial activities for young children, for example in kindergartens.
- Supporting cooperation between educational institutions and employers so that the students will have the opportunity to acquire applied knowledge, for example: internships.
- Expanding the application of innovative learning methods in the educational units such as: practice enterprise or simulated enterprise.

Financial problems – the need for Capital - for start-up and cash flow problems. Young entrepreneurs need money from different sources because they have less funding opportunities than experienced ones.

Support measures for young entrepreneurs like:

- Developing programs for financing start-ups (in different phases of their development).
- Simplifying the procedures and bureaucracy of the existing funding programs.
- Creating structural and targeted communication methods about funding opportunities.
- Outlining of credit schemes for small/young entrepreneurs.
- Creating a bank for young entrepreneurs.

- Identifying investor, like business angels, and private investment funds dedicated to young entrepreneurs.
- Increasing tax incentives for job creators.

Lack of an entrepreneurial culture – fear of failure remains one of the significant barriers to addressing entrepreneurship. Romanian society penalizes bankruptcy and insolvency of companies, from the perspective of future financing options from banks or other investors.

Developing an own entrepreneurial culture through:

- Promoting entrepreneurs success stories that have a major impact on the entrepreneurial culture of young entrepreneurs.
- Implementing mentoring programs with successful business people from different countries.
- Reducing the excessive government penalizations for honest entrepreneurs who are in this situation (bankruptcy and insolvency) and encouraging private creditors to have a similar approach.

Business internationalization – through the need to develop and consolidate the business, but also through the specifics of their activity there are many firms owned by young entrepreneurs targeting the international markets and encountering barriers to access.

Programs for business internationalization – it is very necessary for the Government to create funding programs dedicated for business internationalization. Other support measures may be the creation of the necessary framework for networking among companies from different countries by organizing periodic events at national and European level and the creation of specific social networks on different fields of interest.

Underestimate young entrepreneurs – Lack of trust from other businessman, partners, leads and prospect clients when they understand that young entrepreneurs have little or no experience.

Access to networks of entrepreneurs at national and European level – in this way will be satisfied the need for better networking (in order to attain, finding and retaining customers or business partners). Other measures will be the **development of networking platforms** for young entrepreneurs in different areas of interest and the organization of **events or other actions for networking among European entrepreneurs**.

Lack of trained labor force – the lack of correlation between employers' demands and the education system that prepares graduates in areas that are not demand on the labor market, as well as the continuous development of the business environment and the emergence of new professions.

Facilitating access to employee training programs – It is necessary to create funding programs for specialization, training, qualification and exchange of experience for the employee who will allow them to improve their knowledge, both professionally and personally.

Lack of dedicated programs to encourage young entrepreneurs with experience - Almost entirely, funding programs available at national and European level encourage younger entrants, while those who have demonstrated that they can be successful through accessing tools are not encouraged to continue these actions.

Funding programs dedicated to young entrepreneurs with experience - creating a program to encourage those who have shown themselves as examples of good practice, with the main purpose of building an elite of young entrepreneurs which will give impetus to others to become part of this community.

4. Conclusions

The organization of the “Young Entrepreneurs Day at the European Parliament” event created a framework for collaboration between the business community and the European institutions, the main aim being to identify issues related to policies and programs dedicated to entrepreneurship at European level and to formulate proposals for the construction of a favorable business environment for Economic Development. This is the main result achieved as a result of the implementation of the project.

The Young Entrepreneurs Association from Romania will act as a vector of communication between the business environment and the national and European institutions and will always signal the problems encountered by young entrepreneurs, by militating to solve them.


The “Young Entrepreneurs Day at the European Parliament” event is not a singular action, it is an event that the Young Entrepreneurs Association from Romania will organize constantly with the main purpose to create a direct dialogue between young entrepreneurs, stakeholders and the representatives of the European institutions and promote the role of this as part of the European construction.

5. Contact information



Young Entrepreneurs Association from Romania

 30, Spatarului Street, District 2, Bucharest, Romania

 +40 318 241 592 | +40 318 241 593

 office@ptir.ro

 www.ptir.ro

 www.facebook.com/PTIR.Bucuresti