

# FACTSHEET #1

## The Regional Operational Programme (ROP) 2014-2020 Support to microenterprises

### 1 Policy context

The **ROP** is a well-known programme in Romania due to the constant funding provided to SMEs starting with the pre-accession programmes that were similar to it. The 2014-2020 funding for business development aims at supporting: local economies with direct funding to support viability and development of microenterprises, productivity increase (direct funding to enterprises for investments in new technology and innovative processes and products), smart specialisation and innovation (direct funding for technology transfer), access to finance (financial instruments), business support structures development (indirect funding for incubators).

The ROP support to business development is integrated into a large range of investments in urban development, education, social and health infrastructure, local development, cultural heritage, transport infrastructures, energetic efficiency. Due to the size and the extension at the national level, the ROP has often played the role of public policy in regional development because it is the main source of funding since the Romanian accession to the EU in 2007.

The ROP 2014-2020, like its predecessor for the 2007-2013, is a central, i.e., national operational programme which aggregates the specific regional needs into a common approach. Customising a national programme on different categories of needs specific to the eight development regions was a real challenge. The implementation is decentralised and relies on the Regional Development Agencies, which have a strong role of policymaker at regional levels. They are responsible for regional development planning and contribute to the different national strategies, regional development plans and to the ROP programming.

The ROP 2014-2020 is one of the large operational programmes not only in Romania but at the level of the EU, with € 6.7 billion ERDF funds, out of which almost € 1 billion is allocated to the SMEs support (Priority Axis “Improving SME competitiveness”). The funds are channelled through grants to the business environment via three investment priorities:

- support to microenterprises;
- support to SMEs;
- creation and development of business incubators.

This factsheet is focused only on the direct support for microenterprises, which is part of the **ROP SO (Specific Objective) 2.1 A. “Consolidation of the SMEs position on the market - Support to microenterprises”**.

## 2 The policy measure “Support to microenterprises”

### 2.1 Overview – the policy in numbers

The ROP is a national programme with regional allocation. Therefore, there are no allocations at the county level, instead SMEs at the regional level compete with themselves when for grants. The four stakeholder counties are part of two different development regions: the North-East (NE) and the South-East (SE) regions. The SMEs from Botoşani, Vaslui, Iaşi (part of the NE region) and those from Galaţi (part of the SE region) participate in the different calls for proposals organised at the regional level.

The allocation for the support of microenterprises at the national level is € 425.03 M, 30.2% of the total allocation for the ROP Priority Axis “Improving SME competitiveness”. The remaining part is allocated for SMEs support and business incubators.

From the € 425.03 M, 32.37% (i.e., € 137.5 M), is allocated to the two regions (NE and SE). The microenterprises from the four counties of the stakeholder territory compete against microenterprises from other 10 counties from the NE and the SE regions for grants up to € 200 000, under the “de minimis aid”. In the table below, we emphasise the funds contracted in the stakeholder territory out of the total contracted at the national level.

Table 1: Implementation data - Support to microenterprises ROP 2.1.

| Romania                     |                            |                  | Stakeholder territory      |                                |            |                 |            |
|-----------------------------|----------------------------|------------------|----------------------------|--------------------------------|------------|-----------------|------------|
| allocation (ERDF +national) | Contracted (ERDF+national) | No. of contracts | Contracted (ERDF+national) | % in contracted national value | % in NE-SE | No. of projects | % in NE-SE |
| € 425.03 M                  | € 283.54 M                 | 1 924            | € 17.72 M                  | 6.25                           | 23.35      | 125             | 25.15      |

Source: The MA for ROP, administrative data at 30.04.2020

**125 projects** were contracted in the stakeholder area (the four counties), representing 25.15 % of the total of projects contracted in the ten counties of the NE and the SE regions and 23.35% of the regional allocation. However, the number of grants beneficiaries is small compared to the needs. Thus, considering the total number of microenterprises (i.e., 37 459) in the stakeholder area, only 0.34% of the stakeholder territory’ microenterprises benefited from the support.

### 2.2 Intervention logic

The key problem of the business sector, which was identified in the design phase of the ROP 2014-2020, is represented by the low viability of the Romanian microenterprises, which account for 99.64 % of the total enterprises. An additional problem was the limited entrepreneurial culture and the relatively low density of businesses in all regions. The number of SMEs per 1000 inhabitants in Romania was half that of the EU average. The survival rate of the SMEs at 3 years from establishment was 62.8% of the number of founded companies.

#### SMEs needs

- Financial resources and access to finance to support investments in microenterprises with limited access to bank loans for growth;
- Upgrading of technologies and processes, adoption of innovative solutions to increase competitiveness and ensure survival on the market;
- Business development to ensure the maintenance of existing jobs or the creation of new ones.

## Actions

At programme level, grants up to € 200 000 per project finance a range of eligible actions, including:

- Construction/ modernisation and extension of the production space/services for micro-enterprises, including the supply of tangible and intangible assets;
- Consultancy services to support microenterprises in applying for funding and in implementing the project if funded.

The selection process was designed to encourage investments leading to innovative products and processes, energy efficiency and co-financing with private funds.

The beneficiary co-financing rate was a minimum of 10% of the total eligible costs. The eligible beneficiaries for this scheme are microenterprises with a minimum of one-year experience and the investment was eligible only for the urban area.

## Expected outputs

It is expected the programme will ensure the required support to microenterprises and enhancement of the mobilisation of private funds for future investments in SMEs.

## Output indicators

- Number of enterprises receiving support;
- Number of enterprises receiving grants;
- Private investment matching public support for enterprises (grants).

**Expected results** (defined at the sector level) as

- increased number of SMEs;
- increased survival rate of SMEs.

## Result indicator

- The survival rate of SMEs after 3 years since their set-up.

## 2.3 Results achieved in the region

Table 2: Achievements at the level of outputs

| No. | Programme indicators                   | National Target value (2023) | Achieved at 31.03.2020 in the NE and SE regions |      | Achieved at 31.03.2020 in the stakeholder territory |      |
|-----|--|------------------------------|---|------|---|------|
|     |  |                              | No.   | %    | No.   | %    |
| 1   | Number of enterprises receiving grants | 1 897                        | 490   | 26.2 | 125   | 6.59 |

Source: The MA for ROP, Administrative data at 16.03.2020

## Access to funding in the stakeholder territory

- No. of projects/ public funding contracted in the stakeholder territory and in each county

The aggregated data at the level of the national programme at 31.03.2020 reveals that:

- 1 958 projects were submitted for funding in the NE and SE regions;
- a total value of € 304 M was requested by the 1 958 applicants;
- 490 grants were awarded and contracted in the two regions, out of which 125 in the stakeholder territory.

Thus, the stakeholder territory contributed with 6.59% to the national target of the programme (number of enterprises supported with a grant), while the regions contributed with 26.2%, a figure which is correlated with the allocation of funds representing around 25% of the national allocation.

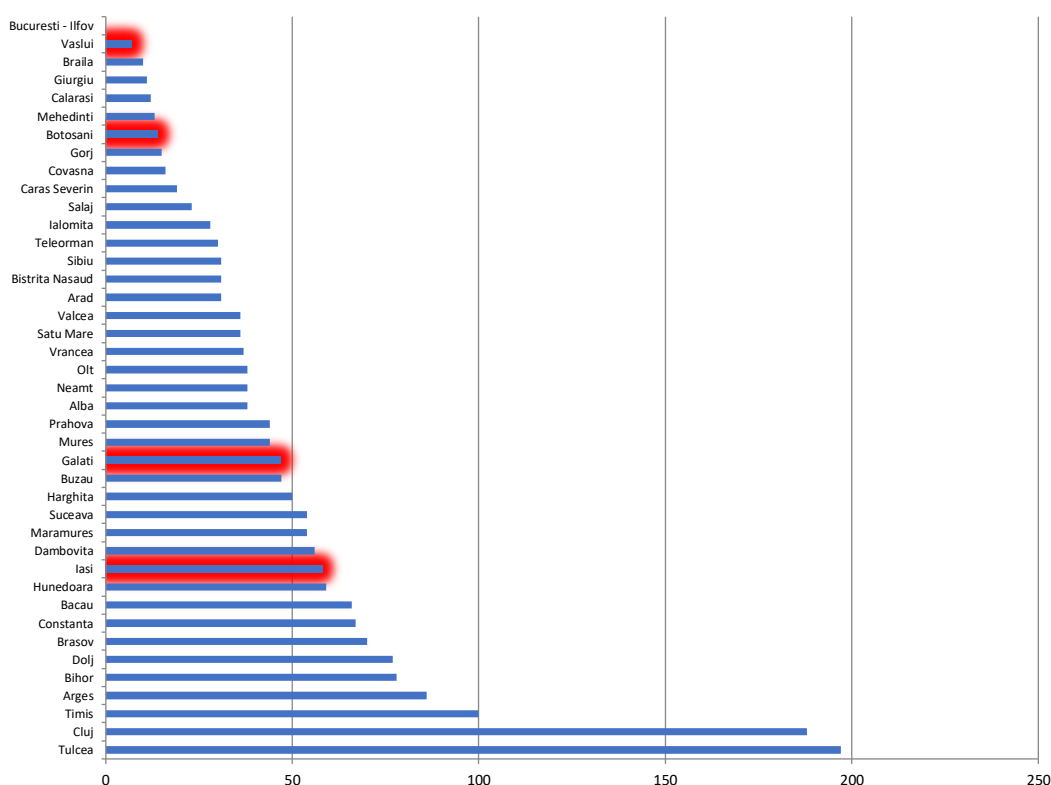
At the level of the four counties Botoșani, Vaslui, Iași, and Galați, the contribution to the national target is 6.59% of the indicator “Number of enterprises receiving grants”.

At the level of the eligible area, most projects were registered in Iași county with 58 projects accounting for an attracted value of € 8.38 M (ERDF and state budget), followed by Galați county with 47 contracted projects accounting for an attracted value from public funds of € 6.31 M. At opposite poles are the counties of Botoșani and Vaslui with 14 contracts (€ 1.92 M), and 7 contracted projects (€ 0.98 M), respectively.

### Comparison with the accessibility of funding in other counties

When compared to all 41 counties in Romania, Iași and Galați counties rank in the first half, on the 11<sup>th</sup> and 17<sup>th</sup> place, respectively, in the national ranking based on the number of contracted projects within the ROP support to microenterprise measure. At opposite poles rank Botoșani and Vaslui. Vaslui ranks last with 7 contracted projects. Bucharest-Ilfov region is not eligible for these calls.

Figure 1: Ranking of the stakeholder territory among all the counties of Romania

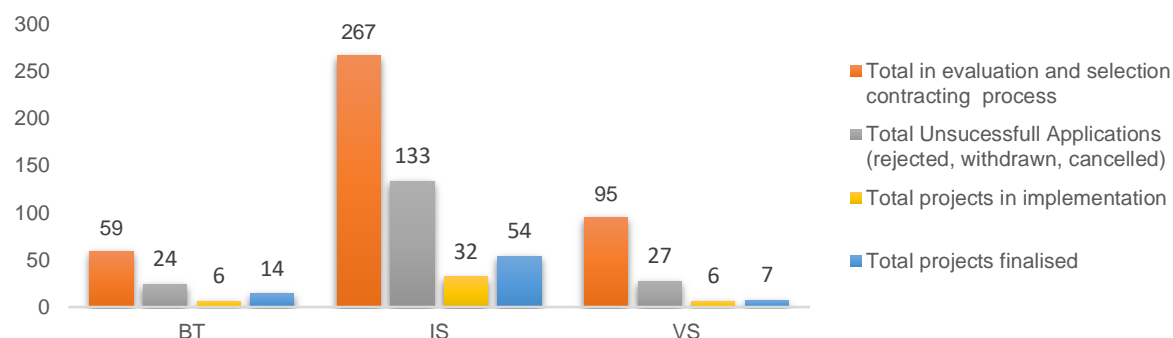


Source: The MA for ROP, Administrative data at 30.04.2020

The demand reflected in the number of applications is **very high in the NE Region** with more than 1 900 applications. All three counties of the NE region have a higher number of applications than Galați county in the SE Region. While Botoșani and Iași have a success rate close to the region average (see

Table 3), Vaslui has a higher success rate with only 20% of the projects facing rejection, 6 percentage points less than the NE region average.

Figure 2: Applications in the stakeholder territory by status



Source: Consortium calculations based on administrative data from NE RDA and SE RDA

The success rate of the applications (no. of projects contracted or in evaluation divided by the number of applications) in the NE region is 74% (data at 30 April 2020). The SE region has a success rate of 60.75%.

Table 3: Rate of success of the applications for funding

|  | NE Region |      | Stakeholder territory |      | Botoşani |      | Iaşi |      | Vaslui |      |
|--|-----------|------|-----------------------|------|----------|------|------|------|--------|------|
| Status of projects   | No.       | %    | No.                   | %    | No.      | %    | No.  | %    | No.    | %    |
| Total applications   | 1906      | 100% | 724                   | 100% | 103      | 100% | 486  | 100% | 135    | 100% |
| Total in evaluation and selection, and in process of contracting | 1088      | 57%  | 421                   | 58%  | 59       | 57%  | 267  | 55%  | 95     | 70%  |
| Total unsuccessful applications (rejected, withdrawn, cancelled) | 487       | 26%  | 184                   | 25%  | 24       | 23%  | 133  | 27%  | 27     | 20%  |
| Total projects in implementation                                 | 125       | 7%   | 44                    | 6%   | 6        | 6%   | 32   | 7%   | 6      | 4%   |
| Total finalised projects   | 206       | 11%  | 75                    | 10%  | 14       | 14%  | 54   | 11%  | 7      | 5%   |

Source: Consortium calculations based on administrative data from NE RDA and SE RDA

The quality of the applications reflected in the technical evaluation shows an advantage for Iaşi and Galaţi among the four counties of the stakeholder territory. While Botoşani and Vaslui have only 8 and 5 projects, respectively, with scores above 80 points, Iaşi has 40 and Galaţi has 16.

Table 4: Technical evaluation scores for the projects in the stakeholder territory

| Score at technical evaluation                 | 50 – 60 points | 61 – 70 points | 71 – 80 points | 81 – 90 points | 91 – 100 points |
|---|----------------|----------------|----------------|----------------|-----------------|
| Total in NE and SE regions                    | 53             | 169            | 202            | 160            | 28              |
| Galaţi county                                 | 2              | 15             | 15             | 13             | 3               |
| Botoşani county                               | 2              | 4              | 9              | 8              | 0               |
| Iaşi county                                   | 6              | 20             | 28             | 33             | 7               |
| Vaslui county                                 | 0              | 2              | 7              | 5              | 0               |
| Total no of projects in the NE and SE regions | 9%             | 28%            | 33%            | 26%            | 5%              |
| Stakeholder area                              | 6%             | 23%            | 33%            | 33%            | 6%              |

Source: Consortium calculations based on administrative data from NE RDA and SE RDA

There is a high demand in the stakeholder territory for grants, which is reflected in the high number of applications submitted. Iași is followed by Galați and have a higher capacity to attract funds, with more applications, a higher rate of success and a better quality, as is reflected by the technical evaluation.

### The programme result indicators

At the project level, the funding is expected to contribute to the survival and the growth of the supported microenterprises. This should be reflected in the financial situation of the supported microenterprises at the end of the project. A quantitative impact assessment is ongoing and will be integrated into the present report at a later stage.

The outputs and the results monitored by the programme authorities are limited to the microenterprises supported, the private co-financing committed, the net gain of the number of jobs of the microenterprises. Although job creation was not among the conditions for funding, the applicants were encouraged by the scoring system to plan an increase in the number of jobs.

Data is available only for the NE region and shows that of the 329 contracted projects, and of the 187 finalised, around 36% are in the stakeholder territory, namely in three counties out of six in the region. The contribution of the stakeholder territory to the outputs' targets ranges between 33% and 39%. So far, the programme succeeded to mobilise investments of € 6.5 M and is expected to reach € 28 M by the end of the projects' implementation phase. So far there is also a gain of around 300 jobs, a figure which is expected to increase to 577.

*Table 5: Project outputs reported in the NE region by the supported microenterprises*

| Area of analysis                    | Programme indicator (data at 30.04.2020)    | Value          | Share in the Region NE % |
|-------------------------------------|---|----------------|--------------------------|
| NE Region                           | Microenterprises supported (no)             | 329            | n/a                      |
|                                     | Projects finalised (no)                     | 187            | n/a                      |
|                                     | Private co-financing contracted (RON)       | 347 130 250.84 | n/a                      |
|                                     | Private co-financing mobilised (RON)        | 81 918 084.45  | n/a                      |
|                                     | Jobs in the microenterprise (target)(no)    | 1660           | n/a                      |
|                                     | Jobs in the microenterprise (achieved) (no) | 911            | n/a                      |
| Stakeholder territory<br>BT, IS, VS | Microenterprises supported (no)             | 119            | 36%                      |
|                                     | Projects finalised (no)                     | 73             | 39%                      |
|                                     | Private co-financing contracted (RON)       | 134 525 250.1  | 39%                      |
|                                     | Private co-financing mobilised (RON)        | 31 448 703.75  | 38%                      |
|                                     | Jobs in the microenterprise (target) (no)   | 577            | 35%                      |
|                                     | Jobs in the microenterprise (achieved) (no) | 305            | 33%                      |

*Source: Consortium calculations based on administrative data from the NE and SE RDAs*

### Result indicators at programme level

The expected result of the programme is set at the sector national level and it consists of the survival rate of the microenterprises, which is measured using the statistical indicator “The survival rate of SMEs after 3 years of operation”.

Table 6: Project outputs reported in the NE region by supported microenterprises

|  | Baseline 2011 | Target 2023 | 2017   |
|--|---------------|-------------|--------|
| Survival rate of SMEs after 3 years of operation | 62.80%        | 72.80 %     | 58.35% |

Source: Consortium calculations based on administrative data from the programme and the NIS.

The above-mentioned indicator provides a clear picture of the evolution of the survival rate of newly created enterprises one year after the establishment. The trend oscillated between 2008 and 2014 and it decreased afterwards without reaching the minimum value of the indicator recorded in the reference year 2008.

According to the ROP 2014-2020 Evaluation Report for Priority Axis 2 “Improving SME competitiveness”<sup>1</sup>, the dynamics of the indicator “The survival rate of SMEs after 1 year of operation” (e.g. from 63.4% in 2011 to 81.1% in 2014 and then to 77.8% in 2015 and to only 68.9% in 2016) indicate that the survival of the newly created enterprises one year after their establishment has a high volatility and therefore is unsustainable, mainly due to the vulnerable aspects encountered by the companies at the beginning of their journey.

### 3 Case study

The case study is focused on one grant beneficiary located in the stakeholder territory. The data was collected using desk research only because none of the beneficiaries that were recommended by the RDAs responded to our request for interview.

Therefore, the data regarding the case was sourced from the 2019 Evaluation Report of ROP 2014-2020 and enriched through interviews with consultants and other stakeholders. For comparative reasons, we added in the case study two other projects from outside the stakeholder territory, i.e., from the North-West and the Centre regions.

The cases selected are extracted from the interim evaluation of the ROP 2014-2020 and enriched with additional quantitative analysis regarding the implementation data in the two regions.

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<sup>1</sup> <http://www.inforegio.ro/en/implementation/program-assessment>

### 3.1 Synopsis of the analysed projects

#### ▪ 3.1.1 Case inside the stakeholder area

|                          |  |
|--------------------------|--|
| <b>Company</b>           | <b>UT4FB CONTROL SRL</b>   |
| <b>Project title</b>     | UT4FB CONTROL - sustainable development and performance in industrial automation   |
| <b>Location</b>          | Iași Municipality  |
| <b>Project objective</b> | <p>Increasing the economic competitiveness of the company by purchasing modern equipment and technologies. Purchasing new and modern equipment and machines while developing an online trading platform leads to the possibility of delivering new high-quality products and services, reaching sustainable development of the company, compliance with environmental norms and strengthening of the position on the specific market. In this way, the company will have more credibility and will become one of the "preferred companies" among clients, investors, suppliers, and business partners.</p> <p><b>Specific objectives of the project</b></p> <p>Increasing the capacity and efficiency of the company's business in providing its services. This goal will be achieved through the purchase of clean and non-polluting equipment that will enable the company to provide services in line with European standards, helping to build trust between partners and customers. Moreover, the company will diversify its offer of services, introducing on the Romanian market a new, innovative service: integrated services of sustainable development. In order to operate and provide high-quality services and solutions, the company will rent a range of equipment or subcontract services, as it does not have the equipment and machinery needed to cover the wide range of services that it can offer. Achieving this goal will lead to: ensuring continuity in the current production process; timely and qualitative delivery of orders from beneficiaries; increasing the market share by approaching new works presenting technical difficulties that cannot be overcome with the current material basis; increasing the company's turnover and profit.</p> <p>Improving the company's managerial and technical capabilities. The implementation of the project will simultaneously enable diversification and improvement of services and the implementation of a platform for the marketing of online products and services, which will help the company to manage more efficiently all the existing categories: human resources, finance, accounting, sales, management of the relationship with customers and providers. The online platform will lead to the development and optimisation of activities, to improving customer relationships and, implicitly, to increasing the company's profitability.</p> |
| <b>Project budget</b>    | Lei 350 078.12, out of which Lei 280 062.50 as non-reimbursable expenditures (the value of state aid) with an intervention intensity of 80%, and Lei 70 015.62 own contribution (financing and ineligible expenses).   |
| <b>Main results</b>      | <p>Increasing the number of employees with 3 persons and maintaining them for at least 3 years after the implementation of the project; besides, a constant increase of the staff is expected each year;</p> <p>Increasing the profitability of UTFB4 CONTROL SRL Company, and thus fulfilling the purpose of all investment works for development, modernisation, refurbishment, by increasing the turnover;</p> <p>Reducing the operating costs of the equipment, which is achieved by investments in machinery and equipment, which are modern technologies with integrated performance software;</p> <p>Introducing a new service on the Romanian market: integrated solutions for sustainable development;</p> <p>Increasing the competitiveness of the SMEs in the area of Iași city, resulting in an increase in their profits and an increase in the number of jobs in the city of Iași;</p> <p>Reducing the unemployment rate in the city of Iași due to the increase in the level of investments to be made in the area;</p> <p>Decreasing the execution time of the works.</p>  |

#### ▪ 3.1.2 Cases outside the stakeholder area

|                          |   |  |
|--------------------------|---|--|
| <b>Company</b>           | <b>NAVOIL INVEST SRL</b>  | <b>FLEXIBIL SRL</b>  |
| <b>Project title</b>     | Diversifying activity by setting up a new production unit for recycled rubber tiles and kerbs   | Increase in the volume of products of SC FLEXIBIL SRL Company by the purchase of energy-efficient equipment  |
| <b>Location</b>          | City of Sibiu   | Sat Săsar, strada Sub Dura nr. 3, Comuna Recea, Maramureș County   |
| <b>Project objective</b> | <p>In the short term: strengthening the market position by developing a new production capacity of recycled rubber tiles and kerb edging;</p> <p>In the medium and long term: creating a complete cycle of manufacturing raw material from recycled rubber (crumb rubber and rubber dust / powder) and finished products (paving, tiles and other new products depending on the progress of scientific research).</p> <p>The specific objectives covered:</p> | <p>Increasing the volume of the following product families: Bushings, code 100, with 3.00%, Spherical bearings, code 140, with 5.00%, Pads, code 235, with 3.09%, in the first year after the implementation of the project, in relation to the financial year when the investment was implemented.</p> <p>The achievement of a minimum rate of return of 7% and a general solvency ratio of at least 4 at the end of the second full financial year after the implementation of the investment.</p> |



|                       |   |   |
|-----------------------|---|---|
|                       | <p>30% increase in turnover based on sales in the coming year in which the new production capacity becomes operational;</p> <p>Increasing the gross profit margin on the basis of sales growth and optimising the production process, as well as the collaboration relations with the suppliers of recycled rubber granular materials, and strengthening the negotiation capacity with respect to these partners reflected in price discounts for the raw material;</p> <p>Progressive diversification of the assortment of products, starting with the most frequent current use and the addition of new products as applicative research in the field will progress.</p>  |   |
| <b>Project budget</b> | <p>Lei 1 169 485,65, out of which Lei 776 528,80 as non-reimbursable expenditures (the value of state aid) with an intervention intensity of 80%, and Lei 392 956,35 own contribution (co-financing and ineligible expenses).</p>   | <p>The total value of the project amounts to Lei 9 200 274.89, of which the grant is Lei 4 517 081,03 (grant of Lei 3 839 518,88 from ERDF and grant of Lei 677 562,15 from the national budget). Own contribution of Lei 4 683 193,86.</p>   |
| <b>Main results</b>   | <p>Purchase of basic equipment (mechanical press) and auxiliary machinery.</p> <p>Outcome indicators following the investment and undertaken under the contract are detailed below:</p> <p>30% increase in sales after the first year since commissioning (June 2019). In the short term (in the first year of the project implementation), the company aims to continue its upward trend and achieve a growth of at least 30% of tire sales and start to be known on the market of manufacturers of recycled rubber tiles and curbstones;</p> <p>The increase in the number of employees is a necessity, for the smooth operation of the new department manufacturing recycled rubber tiles and curbstones requiring 5 positions, 4 (four) direct productive jobs (some with partial load) and an indirectly productive job, involved in marketing and sales. The structure of the hired personnel includes the following functions: shift head for production, quality and lead times; marketing manager for sales products, performance and implementation of marketing strategies (promotion); executive manager for monitoring project implementation;</p> <p>Access to a new market, i.e., the market for recycled rubber tiles and curbstones. Despite the new (innovative) product, for the company the market it was about to enter is not unknown, considering its current activity;</p> <p>In the 4th year of implementation, the business plan provides for modernisation and expansion of the production capacity from own resources and / or for automation and productivity increase, which would allow targeting other foreign markets, starting with the neighbouring markets.</p> | <p>Purchase of the following equipment: 3-axis vertical milling centre- 2 pieces, 4-axis vertical milling centre - 1 piece, precision lathe with CNC - 2 pieces, precision lathe with two axes and two turrets - 1 piece, injection moulding machine - 3 pieces, material testing machine - 1 piece, industrial robot - 3 pieces, electrically driven adjustable table for people with disabilities - 3 pieces, testing programme generation software - 1 piece;</p> <p>Certification / recertification of the quality / environmental integrated management system according to ISO 9001:2015 and 14001:2015, certification of the welding process according to ISO 3834-2, certification of the following products: Bushings Code 100, Spherical Bearings Code 140, Pads Code 235;</p> <p>Participating in an international fair in order to meet the objectives of the company's marketing strategy;</p> <p>Creating 2 new jobs, including a job for people with disabilities.</p> |

### 3.2 Motivation

The funding scheme was the unique solution to implement the companies' development plans focused on the acquisition of new technology and equipment. The outcomes expected are formulated in the following ways:

- increased competitiveness on the market and strengthen position on the market;
- customers' perception change;
- higher quality products;
- compliance with environmental norms.

Two of the beneficiaries applied for funding for the first time, and one of them has used grants before in different stages of their development.

SC. UT4FB CONTROL SRL (Iași) aimed at increasing the economic competitiveness of the company by purchasing modern equipment and technologies, with a positive impact on the customers' perception and relations.

Purchasing new and modern equipment and machines while developing an online trading platform leads to the possibility of delivering new high-quality products and services, sustainable development of the company, compliance with environmental norms and strengthening of the position in the specific market. In this way, the company can have more credibility and can become one of the “preferred companies” among clients, investors, suppliers, business partners.

NAVOIL INVEST SRL (Sibiu) pursued to strengthen its market position by developing a new production capacity of recycled rubber tiles and kerb edging. Its medium and long term plans include the designing of a complete cycle of manufacturing of raw material from recycled rubber (crumb rubber and rubber dust/powder) and finished products (paving, tiles and other new products, depending on the progress of the scientific research).

SC FLEXIBIL SRL (Baia Mare) applied for different opportunities to participate in various projects because it is constantly growing and developing both from an organisational and from a production capacity point of view.

### **3.3 Application**

For the first two companies, the project marked the first experience applying for grant funding, an experience they rate as positive mainly because of the good communication relationship with the Regional Development Agency staff, as well as with the MA for ROP expert. The monitors' support was a success factor that led to the rapid implementation of the proposed activities and of the financing contract.

In the case of SC FLEXIBIL SRL (Baia Mare), the projects were prepared by consultants, which triggered some difficulties in the implementation phase, mainly caused by dissonances between the vision of the company's manager and the result indicators included into the project by the consultants. For this reason, it was required the involvement of the internal team to implement the projects. Although the development exercise was difficult, the team believes to have learned a lot from this process.

### **3.4 Implementation and results**

All activities have been completed as planned for all three projects.

All projects aimed at improving the technical and managerial capacities of the companies by acquiring reliable and modern technologies that will help increase labour productivity, increase the degree of technological independence and allow the provision of new services for installation of industrial equipment and plants.

The proposed investment has had direct and visible effects on economic indicators and the development of human resources. This investment has positively influenced the companies'

competitiveness on the national market, bringing it in line with European standards. Specifically, the proposed investment targeted three directions:

- Developing existing services for the installation of industrial equipment and installations by purchasing specific equipment and machinery;
- Creating a new service within the company (SIDD) by purchasing new equipment and expanding the team of specialists who can develop solutions for sustainable customer development;
- Improving the company's marketing strategy by creating an online platform for the marketing of products and services and by purchasing professional equipment for presenting and printing offers and / services.