NEED FOR IMPLEMENTATION OF SMES IN RURAL AREA

NECESITATEA IMPLEMENTĂRII IMM-URILOR ÎN SPAȚIUL RURAL

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Abstract: *The rural economy is mainly from agricultural, because the agricultural economy itself has a share of 60.5% versus 14.1% in the EU. The Romanian countryside non-agricultural economy has a low weight, and the countryside tourism areas, except for some mountain areas and the Danube Delta are nonexistent. In addition to ensuring the growth of gross value added by processing agricultural and nonagricultural raw materials from local resources, Investments in agricultural and nonagricultural economy in rural areas has a great advantage, both in times of crisis as and in times of economic growth, for the purposes of training new jobs using local labor and stabilization, revitalization of rural communities, particularly those from the disadvantaged areas and peripheral areas. Therefore we consider that the implementation of SMEs in rural areas becomes a necessity.*

Keywords: *small and medium enterprises, rural areas, implementation, flexibility*

INTRODUCTION

One way to boost investment in rural areas for expansion of the SMEs in the economy nonagricultural and processing of primary agricultural products must be a continuing challenge for the local authorities, by creating, in the process of economic decentralization and decisional subsidiarity , in rural (or rural areas) with surplus of workforce in industrial villages, with financial support from the county or regional side, by equipping them with the necessary utilities for the industrial activity (electricity, heat, gas, water, sewerage, roads and internal access,

telecommunications, etc.), after the model adopted of more time in rural areas of the EU.

In Germany, there are local micro regions, parceled out, usually on the private land area of the locality and equipped, from the mayoral funds, alone or in combination, either alone either of combination. The motivation of the inertia to many local authorities in this area - the absence of lands for the location of rural industrial parks - is not real. Most villages have communal important areas of green land which in a short time can not be used anymore as pasture, according to European regulations on grazing disposal collective.

RESULTS AND DISCUSSION

"The category of micro, small and medium enterprises (SMEs) is made up of enterprises which employ fewer than 250 people and have an annual net turnover of up to 50 million euro and / or they have total assets of up to 43 million of euro."

Micro, small and medium enterprises (SMEs) play an essential role in the European economy. They are a source of entrepreneurial skills, innovation and job creation. In the European Union expanded to 25 countries, about 23 million SMEs provide around 75 million jobs and represent 99% of all businesses.

Table 1

Definition of SMEs in Romania and the European Union

Conditions necessary for framing EVIM	Micro	Small	Medium
1. ROMANIA			
Maximum number of employees	<10	<50	<250
Turnover	<8	<8	<8
2. EUROPEAN UNION			
Maximum number of employees	< 10	<50	<250
Maximum Turnover (million Euro)	2	10	50

Source: http:Avww.eif.org/news.asp.news=80&cat=-l

Comparing the definition of micro and SMEs adopted in Romania, with that recommended by the EU, we see that in terms of staffing, it is identical.

However, they are often confronted with the market imperfections. SMEs often have difficulties in obtaining of capital or of credits, especially in its early stages. Their limited resources may also reduce their access to the new technology or innovation.

The support for SMEs is a priority of the European Commission for economic growth, for job creation and economic and social cohesion.

The existing of the micro-enterprises in rural areas are few and cover only a limited range of productive activities and services which to come in the population support, not exploiting in this way the local resources. From the existing ones, the most enterprises have turned to trade due to faster recovery of investment and a minimum experience needed to organize such activities.

In this aspect is necessary to develop the micro-enterprises which have a development based on traditional crafts and also those who promote new business creation, focusing on introducing of new powers and entrepreneurs skills, providing new services to rural communities, which represents an important factor for rural economic development and limiting the depopulations of the countryside.

Diversification activities on farms to non-agricultural activities is necessary for completing the income, particularly those in semi-subsistence farms and the micro-enterprises will be encouraged to start the productive activities and services in rural areas, contributing to the high absorption of labor from subsistence farms, in particular of young people and women. Creating new jobs will thereby contribute to the stability of territorial balance both economically and socially.

SMEs have an important role especially in rural areas where GVA improves the processing of agricultural materials and agricultural resources of local rural communities.

It also they have an important role both in times of crisis and economic recession but also in times of economic growth because it allows the formation of new jobs for the active work force, leading to stabilization and revitalization of local labor by stopping the migration of rural young population.

CONCLUSIONS

Promote balanced development for achieve an economic and social cohesion requires special attention in rural areas. Currently in Romania, the economic functions of these areas are mostly dependent on the agriculture, recording in this way a high level of employment in agriculture, phenomenon that requires the need to obtain additional income from non-agricultural activities and workforce orientation resulting from restructuring the agricultural sector to non-agricultural activities from agricultural activities such as handicraft, processing of non-agricultural products, agriculture upstream and downstream services, IT services, etc.

Currently there are deep disparities at regional level, as well as between urban and rural areas in the business environment, due mainly fact to an underdeveloped infrastructure in rural areas, lack of financial resources of potential beneficiaries, the difficulties of accessing loans but and of the entrepreneurial poor training.

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