



United Nations Development Programme
Country: ROMANIA
Project Document

Project Title The Establishment and Development of Business Incubators in Romania

UNCF Outcome(s): Implementation of innovative programs to address residual development challenges, including socio-economic and political empowerment of vulnerable groups for greater social inclusion and democratic governance practices.

Expected CP Outcome(s): Capacity development for social inclusion, economic and political empowerment of vulnerable groups and for deepening democratic practice.
(Those linked to the project and extracted from the CPAP)

Expected Output(s): Support services for SMEs through business incubators / Enhanced SME sector / Creation of a network of business incubators.
(Those that will result from the project and extracted from the CPAP)

National Implementing Partner: Agency for Implementation of Projects and Programs for Small and Medium Sized Enterprises; Local Authorities from targeted areas.

Responsible Party: UNDP – United Nations Development Programme, Romania

Brief Description

The Project "Establishment and Development of Business Incubators in Romania" aims to support the entrepreneurial spirit and economic development of the targeted areas, by through the development of the SME sector.

The Project relies on a close cooperation between the Agency for Implementation of Projects and Programs for Small and Medium Sized Enterprises (AIPPSME).

The programme includes six business incubators that have started business incubation periods (Brasov, Alba Iulia, Sf Gheorghe, Tg Mures, Mangalia, Bacau) and four business incubators that are planned to start their activities in 2011 (Satu Mare, Timisoara, Dorohoi and Campia Turzii). In addition, two other business incubators are planned to be included in the programme. Business Incubators offer the necessary financial and managerial support to incubated business, in order to generate new jobs, attract investments in the region and improve the local economic situation.

A network of business incubators was established in order to increase the sustainability of business incubators across Romania and expand support opportunities to SMEs.

This project document, valid with the Standard Letter of Agreement for the Provision of Support Services and the Cost Sharing Agreement enclosed, programmes the 2011 Government contribution. This project refers to Project #72886 using an incubation procedure for 2011 endorsed by the Government. The available resources for the project in 2011 consist of those allocated by the Government (USD 2,106,164, calculated at the UNORE for August 2011).

Programme Period: 2011
 Key Result Area (Strategic Plan): SMEs development in Romania
 Atlas Award ID 37408 / Project ID 72886
 Start date: 1st January 2011
 End Date: 31st December 2011
 Management Arrangements: NIM with CO support

2011 AWP budget:	2,106,164 USD
Total resources required:	_____
UNDP resources allocation:	0 USD
Regular (TRAC)	0 USD
Other:	0 USD
Government Resources Allocation:	_____
AIPPSME	2,106,164 USD
Unfunded budget:	_____

Agreed by AIPPSME:

Agreed by UNDP:

ANNUAL WORK PLAN

YEAR 2011

EXPECTED OUTPUTS (and baseline, associated indicators and annual targets)	PLANNED ACTIVITIES List activity results and associated actions	Timeframe 2011 Q1, Q2, Q3, Q4	RESPONSIBLE PARTY	Funding Source	Budget Description	PLANNED BUDGET 2011			
						Amount RON	Amount USD**		
<p>Output 1 – Support services for SMEs through business incubators</p> <p><i>Baseline:</i> Government Decision no. 290 of 2 March 2006, approving the Strategy stimulating development of a national network of business incubators</p> <p><i>Indicators:</i> - No. of newly created incubators; - No. of included SMEs; - No. of created jobs within the business incubators</p> <p><i>Targets:</i> - Inauguration of two new Business Incubators operating of four new Business Incubators continuing the activity in the six existing incubators - Improving working conditions in existing Business Incubators - 16-24 included companies/incubator</p> <p><i>Related CP outcome:</i> Economic growth and poverty reduction</p>	<p>1. Activity Result: Delivering best working conditions and support for the Business Incubators.</p>								
	<p>Rehabilitation/ upgrade of Business Incubator premises (Paragraph 2.4, Procedure for Implementing the Programme *)</p>	<p>Initial financing for Timisoara Business Incubator</p>		UNDP/ AIPPSME/LAS	30071	72600	Grants	300,000	102,740
	<p>Endowment of Business Incubators (furniture, IT equipment) (Paragraph 2.5, Procedure *)</p>	<p>Financing of new Business Incubators to be included in the Programme</p>		UNDP/ AIPPSME/LAS	30071	72600	Grants	700,000	239,726
	<p>Website design and hosting for Business Incubators (Paragraph 2.6, Procedure *)</p>	<p>IT&C equipment and furniture for Campia Turzii Business Incubator</p>		UNDP	30071	72200	Equipment and furniture	150,000	51,370
	<p>Grants offered to start-up incubated SMEs for equipment and set-up costs (Paragraph 2.7 a) Procedure *)</p>	<p>Individual website design and hosting for Business Incubators</p>		UNDP /IA	30071	72600	Grants	60,000	20,548
	<p>Grants for consulting services for incubated SMEs (Paragraph 2.7 b) Procedure *)</p>	<p>Start-up grants for 52 SMEs of Business Incubators in Bacau, Satu Mare, Dorohoi, Timisoara</p>		UNDP/ AIPPSME/	30071	72600	Grants	1,040,000	356,164
	<p>Grants for consulting services for incubated SMEs (Paragraph 2.7 c) Procedure *)</p>	<p>Start-up grants for 22 SMEs of Business Incubators in Alba Iulia, Tg Mures, Mangalia, Sf Gheorghe</p>		UNDP/ AIPPSME/	30071	72600	Grants	440,000	150,685
	<p>Grants offered to incubated SMEs for partial reimbursement of utilities costs (Paragraph 2.7, c) Procedure *)</p>	<p>Utilities grants for Business Incubators in Brasov, Sf Gheorghe, Alba Iulia, Tg Mures, Mangalia for 2011 - Q3, Q4</p>		UNDP/ AIPPSME/	30071	72600	Grants	144,000	49,315
	<p>Grants for incubated SMEs for additional trainings, fairs, conferences and other events (Paragraph 2.7 d) Procedure *)</p>	<p>Utilities grants for Business Incubators in Satu Mare, Bacau, Timisoara, Dorohoi - Q4</p>		UNDP/ AIPPSME/	30071	72600	Grants	60,000	20,548
	<p>Contracting the Business Incubator Administrators (Paragraph 2.8, Procedure *)</p>	<p>Grants for incubated SMEs for additional trainings, fairs, conferences and other events</p>		UNDP/ AIPPSME/	30071	72600	Grants	180,000	61,644
	<p>Administration fee for 3 Business Incubator Administrators: Timisoara, Dorohoi, Op Turzii</p>		UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	570,000	195,205	

EXPECTED OUTPUTS (and baseline, associated indicators and annual targets)	PLANNED ACTIVITIES List activity results and associated actions	Timeframe 2011				RESPONSIBLE PARTY	Funding Source	Budget Description	Amount		
		Q1	Q2	Q3	Q4				RON	USD**	
	Events organized by Incubator Administrators (Paragraph 2.8, Procedure *)					UNDP / IA	30071	74500	Miscellaneous expenses	15,000	5,137
	Extension of office space: St Gheorghe Business Incubator (Paragraph 2.9, a), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	47,250	16,182
	Extension of office space: Tg Mures Business Incubator (Paragraph 2.9, a), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	31,500	10,788
	Extension of office space: Satu Mare Business Incubator (Paragraph 2.9, a), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	63,000	21,575
	Improvement of working conditions for Tg Mures Business Incubator (Paragraph 2.9, b), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	200,000	68,493
	Improvement of working conditions for Bacau Business Incubator (Paragraph 2.9, b), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	400,000	136,986
	Improvement of working conditions for Mangalia Business Incubator (Paragraph 2.9, b), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	200,000	68,493
	Improvement of working conditions for Satu Mare Business Incubator (Paragraph 2.9, b), Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	150,000	51,370
	Rehabilitation due to damage Satu Mare Business Incubator (Paragraphs 2.9, c), Procedure *)					UNDP/ AIPPSME/LAS	30071	72600	Grants	200,000	68,493
	Training services for pre-incubation period (Paragraph 3.9, Procedure *)					UNDP/ AIPPSME/LAS	30071	72100	Contractual Services - Companies	300,000	102,740
	Facilities & administration					UNDP	30071	75100	Facilities& administration	270,738	92,718
TOTAL ACTIVITY 1										5,685,488	1,947,085
2. Activity Result: Support and promotion for Business Incubators											
	Promotion of Business Incubator activities (media, brochures, presentation materials)					UNDP/ AIPPSME/Las	30071	74200	Audio Visual & Print Prod Costs	600	205
Output 2 – Enhancing the operational capacity of business incubators <i>Baseline:</i> six incubators in full operation (Alba, Brasov, St. Gheorghe, Tg Mures, Mangalia, Bacau); four new business incubators to open (Satu Mare, Timisoara, Dorohoi, Campia Turzii); financing for two new business incubators											

EXPECTED OUTPUTS (and baseline, associated indicators and annual targets)	PLANNED ACTIVITIES List activity results and associated actions	Timeframe 2011				RESPONSIBLE PARTY	Funding Source	Budget Description	Amount						
		Q1	Q2	Q3	Q4				RON	USD**					
Indicators: - No. of seminars, workshops, study tours - No. services provided and their quality - No. of incubators involved in the network Targets: - Promotion activities for Business Incubators - Facilitating the cooperation among incubated SMEs - Development of a business incubator network. Related CP outcome: Economic growth and poverty reduction	Promotion of Business Incubator activities (Paragraphs 2.11, 9.6 e) (Procedure 7) Organizing workshops, seminars, international study tour Project website improvements and maintenance Miscellaneous Facilities & administration	Promotion of Business Incubator activities (launch of 4 Business Incubators)					UNDP/ AIPPSME/Las	30071	74500	Miscellaneous expenses		47,950	16,421		
							UNDP	30071	74500	Miscellaneous expenses		110,960	38,000		
							UNDP/ AIPPSME/Las	30071	72100	Contractual Services - Companies		5,000	1,712		
							UNDP	30071	74500	Miscellaneous expenses		1,203	412		
							UNDP	30071	75100	Facilities& administration		8,286	2,838		
		TOTAL ACTIVITY 2												173,999	59,589
		Output 3 – Technical assistance for reaching the projects objectives Baseline: - project management Indicators: Please see Outputs 1 and 2 Targets: - achievement of project objectives Related CP outcome: Economic growth and poverty reduction	3. Activity Result: Carrying out administrative and management tasks for implementing the project Activities related to the evaluation and selection of new locations Activities related to the functioning of Business Incubators during the incubation period Activities related to reporting and monitoring Facilities & administration						UNDP	30071	71600	Travel		46,680	15,986
									UNDP	30071	73100	Contr. Serv. - Individuals Rental & Maint. - Premises Comm & Audio-visual Equipm		100,000	34,247
									UNDP	30071	73100	Travel		72,400	
									UNDP	30071	74500	Contr. Serv. - Individuals Rental & Maint. - Premises Comm & Audio-visual Equipm		74,500	44,521
							UNDP	30071	75100	Miscellaneous exp.		13,834	4,738		
TOTAL ACTIVITY 3												290,514	99,491		
TOTAL												6,150,000	2,106,164		

Legend:
 UNDP: United Nations Development Programme
 AIPPSME: Agency for Implementing Projects and Programmes for SMEs
 LAS: Local Authorities
 IA: Incubator Administrator

* The Procedure for Implementing the Programme for the Establishment and Development of Business Incubators - M.O. 557 bis / 5.08.2011 with changes according to M.O. 598 / 24.08.2011
 **UNIORE exchange rate for August 2011: 1 USD = 2.92 RON