

## EUROPEAN FUNDS ADJUVANT OF SUSTAINABLE DEVELOPMENT OF ENTREPRENEURSHIP

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### **Abstract:**

*The accession of states to the European Union represented an opportunity to reduce the economic gaps, improve the quality of life and entrepreneurial culture, aspects that led to the modernization of the EU countries. The European funds are real support in the revival, support, and development of the entrepreneurial spirit that can be considered a pillar of economic development and growth. Through the Europe 2020 Strategy, the need to promote entrepreneurship has been brought to the attention, which is considered a key factor in achieving smart, sustainable and inclusive growth. European funds are generating prosperity and are seen as a link between entrepreneurship and sustainable development, respectively, between the EU Member States and economic progress.*

**Key words:** European funds, the European Union, sustainable development, entrepreneurship, economic growth

**JEL classification:** F63, L26

### **1. INTRODUCTION**

In the last millennium, the entrepreneur and the entire entrepreneurial process/ entrepreneurship have received special attention from the specialists due to their importance in the economic development of each EU state being considered as catalysts of the economic growth of any national economy. The existence of entrepreneurship leads to the emergence of business opportunities, opens new horizons and supports the discovery of new products and services that will be exploited to ensure the sustainability of the society as a whole. Entrepreneurship represents the environment in which the process of converting technical progress into economic goods is manifested. The entrepreneur and the entrepreneurship form an identifiable unitary whole that creates a dynamism throughout the contemporary society, and the entrepreneurial spirit is an essential factor in the elaboration of the policies of sustainable development, respectively, a stimulator of the changes in the economic environment. If the entrepreneur was initially seen as a speculator (Smith, 2014), which we might call bear or bull as in the case of agents in the financial market, he is now considered a key player in economic development or, in other words, a Schumpeterian motor entrepreneur of the economic system (Schumpeter, 1942). Solid entrepreneurial education together with the applied policies will create the conditions necessary to increase the competitiveness of economies at European and global levels. The development/expansion of entrepreneurship due to competition implies more funding, respectively, more European funds. For better use of European funds, the most effective entrepreneurial models (models of good practices in the absorption of funds) have pursued both the development strategies of the European Union and its goals. Creating conditions for stimulating entrepreneurship (the legal and institutional friendly environment), modeling positive attitudes towards entrepreneurship and access to technology have led to an efficient way of using European funds. Polishing the entrepreneurial culture can be the impetus for increasing access to European funds, and entrepreneurship and creativity driving prosperity and sustainable development under the Europe 2020 Strategy.

## 2. LITERATURE REVIEW

The two concepts, entrepreneurship and sustainable development, which are considered as solutions for the future development of society as a whole, are well represented both in the specialized literature and in the documents of international organizations. They are also priority elements of the 2020 Strategy, a strategy that focuses its attention on boosting entrepreneurship, as Schumpeter considers entrepreneurship to be a positive attitude that can drive innovative ideas to the end, replacing old conventional systems with modern business models. If Say considers the entrepreneur as the person who has the capacity to secure the necessary funds for the development of the business, and Smith as a capitalist employer who has the role of capital allocation, so also the entrepreneurial culture represents the way to attract the European funds. The notion of sustainable entrepreneurship has been interpreted as an all-inclusive concept (Kardos, 2012) of solving social, economic and environmental problems. Sustainable entrepreneurship becomes a whole unit of characteristics such as social responsibility, innovation, competitiveness, dynamism, progressivity and the search for benefits for the sustainability of the business and the creation of social values (Krisciunas & Greblikaite, 2007). In addition, the need to address the role that entrepreneurs have in implementing sustainable development through the prism of innovation is brought to the attention. Thus, entrepreneurs are seen as actors who manage to gain competitive advantage, only when innovation is sustainable and when innovative social and environmental practices are applied. Entrepreneurship and competitiveness will always be the keys to opening each state to sustainable development.

## 3. CONTENTS

The European Union has always paid particular attention to sustainable development policies, its main purpose being to ensure diversity and maintain a cultural distinctiveness between European regions. Thus, the entrepreneurial environment must follow the same principles that promote the rational and economic use of natural resources, namely the protection of the environment by reducing gas emissions or by using green technologies. The entrepreneurial environment has become an essential factor in improving European performance, being a viable solution, on the one hand, for economic reform and, on the other, for social cohesion. Through the Europe 2020 strategy, the EU has set its strategic objectives, which have been the basis of horizontal policies, and the European funds have been directed only to those entrepreneurial activities that have pursued sustainable development because Europe's economic development and its sustainability need not be to the detriment of the environment. The Europe 2020 strategy aimed to change the public perception of entrepreneurs and the development of entrepreneurial skills through education and training programs, because entrepreneurship leads not only to achieving personal goals but also to social ones, representing the backbone of the European economy. Through the 2020 Entrepreneurship Action Plan, the objective of SME's access to financing was pursued. The funding opportunities offered by EU funds include the Innovation and Entrepreneurship Program. If sustainable entrepreneurship is considered part of the sustainable development assurance system, entrepreneurial enterprises are seen as the driving forces of competitiveness and innovation that will pave the way for sustainable development. The main purpose of sustainable development is to create a link between economic, human and environmental systems, and entrepreneurship to ensure the transition to a sustainable economy. As the promotion calls for the advertising vehicle, so can entrepreneurship be compared to a vehicle that can influence the transformation of the society. In addition, both entrepreneurship and sustainable development can be solutions for the development of EU states.

#### **4. RESEARCH METHODOLOGY**

Sustainable entrepreneurship supports the sustainable development of both the Member States and the EU as a whole. The complexity of the two multidimensional concepts, sustainable entrepreneurship and sustainable development, makes it difficult to measure them. The research methodology includes, on the one hand, the analysis of the specialized literature (books, scientific articles and official documents/reports) and, on the other hand, the analysis and synthesis of data, followed by the dissemination of the results. The research leads to certain limitations due to the low degree of prospects related to the sustainability of entrepreneurship. The activity of the entrepreneurs is and will be in a continuous struggle with the challenges offered by the company both in the present and in the future. Therefore, the European structural funds must support the sustainable development of the entrepreneurial environment, support innovative activities in all sectors of activity and take action to change the development (progress) paradigms. The study on the importance of European funds and entrepreneurship, in the socio-economic development of the whole society, underlines that the theoretical approaches lead to an increase in the size and horizon of the research, the reflections on the sustainable development process, respectively on the sustainability of the entrepreneurial environment/culture. From a methodological point of view, the approach can be considered a qualitative one, because it was made from a thematic and not a statistical perspective. The data collected can provide an image that can be viewed, both longitudinally and cross-sectionally, and presenting this work as an observation point.

#### **5. FINDINGS**

Structural funds ensure the sustainability of entrepreneurship, which creates conditions for achieving economic and social objectives and, not least, for personal development. In addition, through the Entrepreneurship Action Plan 2020, we have succeeded in creating a new vision and a new set of strategies that have the role of accelerating this entrepreneurial culture at the EU level to revive the economic growth. European funds remain among the most important sources of financing that have an impact on business development. Funding opportunities through EU funds are one of the priority objectives of the Union's policy, which uses a number of instruments to support development (growth) in this regard, namely: grants, loans and guarantees. Within the European Structural Funds, the ERDF particularly supports entrepreneurship and competitiveness among SME's, while the ESF supports investments in women's entrepreneurship programs. The EU also provides entrepreneurs with the information they need for sustainable development and creates/develops the skills specific to this role, thus overcoming numerous obstacles that limited access to finance.

#### **6. CONCLUSIONS**

The generation and use of knowledge, innovation and entrepreneurial activity lead to the guarantee of sustainable economic development. Entrepreneurship creates jobs and generates income. The concept of modern entrepreneurship, the panacea of social and environmental problems, used in sustainable economic development must be used in the practical activities of knowledge-based societies. An important role in strengthening, on the one hand, the entrepreneurial ideas and competences, and, on the other hand, the entrepreneurial spirit have the structural funds. With their help, disadvantaged individuals and groups are encouraged to open a business, and businesses seek to improve the quality of work, respectively, the sustainability of the business and the environment. Thus, the EU now has the role of cultivating the entrepreneurial spirit that can be compared with the backbone of the European economy, as it leads to the economic sustainability of the society as a whole.

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