

## PROJECT NO. 1-3.1-11

“Promoting foreign investments in cross border area, by creating and developing cross border sectoral poles of competitiveness”

## PROJECT CONTEXT

**Dolj - Vidin cross border area is a relatively low developed area, with few sustainable business partnerships and business climate less developed compared to EU25.** Investments are low, despite good geographical position and infrastructure opportunities - TEN-T, Danube river, airports, inter-modal transport facilities. Doj-Vidin cross border area is confronted with the following problems:

- ✓ *Underperforming overall economy* characterized by low GDP per capita (1,777 Euro on Romanian and 1,840 Euro on Bulgarian border, compared to 28,100 EU average), *low incomes, low new investment, poor transport infrastructure*;
- ✓ *Overall peripheral character* characterized by small SME numbers, *lack of export-oriented businesses*, relatively low use of IT and modern technologies and business management skills;
- ✓ *Competitiveness and technological gaps* compared to national economies and to EU;
- ✓ Limited cross-border economic cooperation experience with few initiatives owing to a *lack of information, coordination and support facilities*;
- ✓ *Limited investment*, due to the remote location of the cross-border area from the centre and bigger cities, that up to now has made it relatively unattractive for foreign direct investors.
- ✓ *Perceptions of the area as a low value-added economy* that will remain a barrier to investment.

The proposed project aims to overcome these problems, by **strengthening cooperation between important competitiveness actors** - **ARIES-Oltenia Subsidiary**, as pole of technology transfer and business support services for Oltenia Region, **Vidin Chamber of Commerce and Agency for Regional Development and Business Center - Vidin**, as main organizations in Vidin area to provide business services and information. Nevertheless, **Balkan Coalition Belogradchick** and **ATeE** will directly contribute, through their experience in business cooperation in cross-border area and strategy development to the success of the project.

**Activities** carried out are oriented to limiting cross border problems in business area, through *increased information, coordination and support facilities* - networking meetings, such as economic missions and sectoral conferences. Also, the project creates the instruments for *attracting business investors and improving their perceptions on the area*, by pointing out, through regional study and cross border portal, the advantages and value-added resources in the area.

Business representatives in cross border area will be *directly connected with interested investors* from the cross border area or international level, through **networking facilities of the portal**, as well as through the **International Conferences** organized. They will be able to present their products and services, identifying market niches and therefore, *increasing their exports*. Continuous information and networking with other interested investors and business partners from cross border area or European Union will determine local businesses to *increase their competitiveness, by know how transfer and technological research and innovations*.

The **study** on current stage and opportunities for development in the area will structure development opportunities for foreign investors, allowing them to make a clear and accurate analysis on the investments' risks and advantages. The **portal** for cross border promotion will be designed in an attractive manner for all type of investors (dynamic map of the area with opportunities for local and specific information) and it will provide all necessary and structured information for investors.

**On medium and long term, the project will create a dynamic relation between Romanian and Bulgarian cross border businesses, characterized by high competitiveness and technological innovations that will attract investors and sustain economic development in the area.**