

The Funding Projects for Sustainable Development of Romanian Rural Area: Benefits and Limits

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Abstract: *The Romania's socio-economic development, according to the European standards and requirements, depends largely on rural area development, which is so significant for our country's international recognition. The sustainable development, one of the most modern concepts inherent for economic world of XXI century, is a main goal of entities responsible for Romanian rural area development. Bearing in mind that the socio-economic condition and quality of life in Romanian rural area are far from sustainability principles and realities of other European States, we appreciate the role and implication of funding programs dedicated to rural area, as essential. In our opinion, the Romanian rural area was a subject of significant challenges, with very sinuous evolution, so it is extremely important to use all possible funding sources that let implement the projects aimed to foster sustainable development of Romanian rural area. However, the past experience with SAPARD, FEADR and other programs indicates that in addition to their benefits, some limits appear as well. In this paper we propose to identify these benefits and limits and realize a synthetic analysis based on the past experience of the projects beneficiaries, with aim to establish some key lessons for the next funding period 2014-2020 when, again, the Romanian rural area is a priority. Also, we suggest implementing a comparative analysis of main rural sectors where the funding projects for sustainability of rural area were implemented with success or obstacles.*

Keywords: *funding, projects, rural area, results, sustainability*

Introduction

The study of sustainable development issue in different circumstances and economic sectors is a permanent challenge for the research environment and the socio-economic practice. A general assessment of sustainable development and the process of its transition from the concept to action and its implementation principles, demonstrates its rapid and concrete penetration into economic sectors, society, the everyday life, the development policies and strategies. A relatively new concept of sustainable development has rapidly drawn attention of numerous experts from various fields (economic, social, administrative, legal, and psychological, etc.). In essence, the concept was generated by the awareness of the need to address economic, social and environmental issues raised and acknowledged in the last 30 years.

In this paper the approach to the Romanian rural area from the perspective of sustainability is based on conclusive results of the previous research works, which showed that Romanian rural area is both past and current pillar of the national economy, and it has a great importance in ensuring socio-economic development, being the holder of rich heritage of various resources.

This paper focuses on studying of Romanian rural area from the perspective of development in a sustainable manner and contribution of funding programs to the rural area in this sort of development. We start from the background that Romanian rural area has the values and fundamental elements for moving in the direction of eminently sustainable development.

The motivation for choosing this topic is based on the quantitative and qualitative arguments, including: economic, social and cultural patrimony that Romanian rural area holds. This represents a fundament for economic development, opportunities for funding rural activities and it has become a concrete reality for entities interested in accessing these funds and the achievement of economic and social projects. Such projects are more numerous and are designed to revitalize rural areas. These

concrete results of already implemented projects in rural areas are visible and represent a starting point for future projects. Regarding the need to access funding programs for the sustainable rural area development, we consider that Romania is at the intermediate position between the requirements of alignment with the European standards, intrinsic development needs and socio-economic balance that manifest Romanian rural area.

This paper aims to point out that Romania has a real chance to develop in a sustainable manner, relying considerably on the opportunities created by the rural area development. Undoubtedly, this argument is supported by practical aspects, data and information that confirm a significant finance orientation on rural areas and pay more attention to the ways and means of complex development of Romanian rural area. On various institutional, entrepreneurial and political levels of rural development there is attention and efforts oriented to support Romanian rural area sustainability. However, in addition to the obvious benefits and expected projects' products implemented in rural area, there are some limitations and shortcomings that certainly can be overcome in the next funding period.

Essentially, the paper highlights the need to ensure sustainability in Romanian rural area, by which we understand the simultaneity of achieving economic, social and environmental objectives, because economic growth accompanied by a limited life standards, poor quality of life or poor education has no value in terms of sustainable development.

1. Literature Review

The issue of sustainable development has been widely studied over 20 years, resulting in numerous thematic research papers, reports and visible information at international level. The steps of depth study of the sustainable development concept in a practical manner have advanced to concrete suggestions of strategies and policies tailored to the needs of sustainable development. However, most of theoretical works have a strong theoretical nature, the connection with socio-economic reality is less obvious due to such reasons as lack of interest in civil society manifesto, quite mercantilist business concerns, lack of respective system of indicators to measure relevant level achieved by sustainable development or lack of understanding of the concept and interest for its approach in an applied manner. Instead, regarding specific funding mechanisms and ways of funding Romanian rural area has a strong practical character gained by the specific research papers and reports, studies and documents elaborated by the institutions. In addition, addressing the issue of sustainable development in Romanian rural area has caused extensive concerns and involved numerous and advanced studies, and it has confirmed that Romanian rural area represents a pillar of a truly sustainable development of our country and a quintessence of economic and social policy designed to develop local rural communities in a harmonious ensemble [9].

This paper has a theoretically applied character and its main ideas are being supported and substantiated by data, information, research and study results that provide evidence of their practice. Analytical issues concerning rural components that can be targeted for ensuring sustainable development and the means by which this type of development can be provided, are less treated in the literature and most identified works are focused on requests and strategies of sustainable development. Also, in the literature at limiting level we found the topic of sustainability of Romanian rural area, where major emphasis is placed rather on the need to ensure sustainable development than on concrete directions to satisfy these needs.

International literature is rich in research and studies regarding sustainable development paths of rural areas, and is identified as theoretical approaches and applied representative studies. However, the same cannot be said about the local literature, where sustainability is treated quite theoretically. There are few works that deal with the sustainability of rural area and they are less highlighted in a limited research. The most relevant works for reference in this paper are: *Towards a steady state economy* (Daly, H. E., 1973), *The concept of sustainable economic development* (Barbier, E., 1987), *Doubling wealth, halving resource* (Von Weizsacker, E.U., 1998), *The rural sustainable development* (Mitrache, S., 2000), *Natural resources and economic development* (Barbier, E., 2007), *Rural development. Principles and practices* (Malcolm, J., 2005), *Rural economy* (Otiman, P.I., 1999), *Sustainable development in Romania. Models and scenarios on medium and long term* (Dobrescu, E., Albu L.L., 2005), *Rural development* (Dona, I. 2005), *Criteria and principles of sustainable development from*

point of view of its resources (Zaman, Gh., Gherasim, Z., 2007), *The rural sustainable development in Romania* (Otiman, I.P., 2007), *Rural and regional sustainable development of Romanian village* (Man, T.E., Mateoc-Sârb, N., 2008). From the literature overview, we can see that the overall approach to the rural area and especially to the sustainable development is constantly updating, providing useful data and information for studies and research in this field. However, the same can't be said about literature dealing with rural areas in the context of sustainable development and, in particular, the analysis projects that have been funded to support the sustainable development of Romanian rural areas, for which reports and post-implementation studies' review were more conclusive.

In this context we note that orientation of specialized studies abroad to rural sustainability has greater depth and more rigorous scale, compared to national studies in this field. In addition, concerning the report about the situation with the funding programs' implementation in rural areas we still don't have common and synchronized database allowing an overall analysis of this issue.

2. Material and Method

The research of this paper is based on the results of previous research on Romanian rural area, and from a basic preliminary conclusion: Romanian rural area is the holder of rich and valuable heritage which can be oriented in favour of sustainable development, but there isn't any well-defined framework for guidelines. Based on the inventory financing programs and the needs for which they were accessed in the rural area, we proceed to identify and analyze the benefits and limits of sustainable development of Romanian rural area. The research will conclude with a set of proposals in the form of "lessons" learned from the results and conducted projects, lessons from which we can deduce those concrete solutions for meeting the needs of sustainable rural development. The data used in the research is addressed to the macroeconomic level and all information is taken from official sources: statistical yearbooks, studies and reports of institutions of rural-oriented analysis, scientific papers and studies in the field. Research methods used in this paper are: quantitative analysis, synthesis and interpretation of the collected and observed data, correlation of the selected information with the basics summarized elements from principles, strategies and policies for sustainable development. Analysis was performed on sections of economic, social and environmental level and is used to highlight the direct relationship between factors that can determine the sustainable development of the Romanian rural areas and directions that are imposed to be followed to achieve this goal by funding programs. In general, the present research has a systemic nature, starting from the presentation of the prior knowledge of the problem, the need for understanding the phenomenon studied and followed by concrete proposals for action determinants of accelerating the pace of achieving sustainability in Romanian rural area.

3. Results and Discussions

Romanian rural area has a significant heritage consisting of assurance factors of specific levers for sustainable development. The most used and relied values upon sustainability are: natural capital, human capital, cultural heritage, traditions, farming practices very close to organic farming principles, environmental factors, etc. The analysis of limits and benefits produced by funding programs in the Romanian rural area by implementing sustainable socio-economic development projects, assumes that economic resources are utilized by the human resources and, therefore, their quality standards determine the proper management of the allocated funds and respectively satisfactory results in implementation. However, one of the serious and complex problems that Romanian rural areas face is the lack of funds that would enable conservation and heritage valorisation, plus the depreciation conditions that maintain devaluation of Romanian rural areas, with qualitative and quantitative losses. In order to prevent skidding of this worrying phenomenon and menacing Romanian rural area - the asset depreciation – various categories of funds were established and assigned specifically targeted to address these issues.

According to most of studies focused on identifying the socio-economic role of rural areas, we can state that Romanian rural area has a substantial development potential and plays a socially vital role, significantly bigger than of urban environment. In addition, Romanian rural areas cover 87.1% of the country and include 44.9% of the population [14]. However, specific indicators of social development in the Romanian rural area show a low life standard, along with the practicing of subsistence agriculture and respectively unfavourable conditions for ensuring the quality of life at European

standards. Therefore, we believe that human resource management is essential to ensure sustainable development in Romanian rural area. "In all countries, irrespective of their socio-economic development, agriculture is a main branch of the national economy and the peasantry is an important social and political force." [12]

Regarding the education level of the population, which we consider to be a key to sustainable mobilization, there is a great imbalance between urban and rural areas, where the predominant population has a low level of education: 56.7% of the rural population has primary, secondary education or hasn't completed any school. Regarding discrepancies for university graduates, the statistics show that the share of graduates in urban areas is about 7 times higher than in rural areas. In accordance with the study results on the pace of socio-economic development of the Romanian rural area there were identified following facts: [18]

- 128 communities from Romania are at an advanced level of poverty, with major difficulties of recovery and have a synthetic index of development below 15%, versus 35.6% (national average);
- most of these communities are located in Nord-East, South and South-East and less significant in the western part of the country;
- in contrast, only 132 communities record a synthetic index of development over 57% (reaching even 71%), which are located in mountainous areas of central, northern and north-western part of the country.

Consequently, rural economy highlights significant differences between developing regions in terms of demographic, social and economic dimension. The largest discrepancies are observed in the poverty degree and the quality of life of the rural population.

From the perspective of the eminently sustainable development, we believe that education and training of citizens are the key points of sustainability, but this cannot be achieved without adequate infrastructure. In this sense, we identify discrepancies between rural and urban, the conditions of education and training for the rural population are below the level needed to ensure a sustainable development prospects. For these reasons, we believe that the first priority in socio-economic development of Romanian rural area is to focus on insuring quality of human resources.

Controversial to a significant extent, at least nationally, but recognized as the owner of multiple economic and social values, Romanian rural area went through significant changes and has gained a lot of experience, especially after the 1990s. For a thorough analysis of the problems and reasons which diminish the opportunities to faster implement the principles and rules of sustainable development in rural areas, we made a selection of strong and weak points in the main directions to boost sustainability of Romanian rural area (Table no. 1).

Table no. 1 Strengths and weaknesses in terms of sustainability of Romanian rural area

<i>Strengths and opportunities</i>	<i>Weaknesses and Constraints</i>
Existence of resources of the superior quality utilized in a sustainable manner and the possibility of their conservation and continuous accumulation.	The lack of necessary financial and material resources and their mismanagement in unsustainable sense.
Fertile land and suitable environmental factors to support sustainable development (soil, forests, water, flora, fauna, biodiversity) etc.	Poor access to some means of communication and lack of interest, support, patience and financial allocations for re-metalizing.
The possibility to access the programs that support continuous improvement of specialists and agricultural workers, providing expert advice and exchange of experience with specialists from other countries.	Lack of the scientific research involvement in specific activities from rural area or disregard of research results by policy makers and the lack of cooperation and information exchange.
The existence of European grant programs	Migration of the specialists and domestic labour force to other countries.
Favourable impact of European bodies on policy makers in Romania.	Lack of motivation and interest of entities that are in charge of sustainability.
Diversification and improvement of communication tools.	High costs for technological upgrading.
High level of labour force	Outdated mentality, the lack of interest or disapproval to change it.

Source: Personal processing by synthesizing particularized aspects from the literature

All the items listed above represent social and economic reality of Romanian rural area. In fact, "there isn't sustainable development of agriculture outside the rural area, as well as there is no designed rural sustainable development without sustainable agriculture, especially, for Romania as one of the most rural countries from Europe. In Romania problems are related more to poverty and the impossibility of applying modern technologies". [1]

The factors that determined an insufficient development or involution of Romanian rural area, with all its components refer to: [9]

- low level of use of natural or ecological potential of land;
- insufficient equipment of farms and peasant households with machinery, equipment and adequate infrastructure;
- reduced operating capital stock;
- low stock of farm work in terms of quality;
- gradual and accentuated degradation, especially in the last 10-15 years of the cultural environment related to the rural area due to various reasons: reduced financial support, lack of interest, and focus on socio-economic perspectives.

A solution that can be taken to exploit the opportunities and to eliminate or reduce the constraints faced by Romanian rural area lies in accessing funds to finance specific projects. These projects were implemented in various fields such as: human resources development, encouraging non-agricultural activities, investment in agricultural farms, encourage young farmers, improving learning conditions, creating and improving infrastructure, utility connections, supporting organic agriculture, etc.

Thus, financial mobilization can more clearly outline the direction towards sustainability. Most significant sources of funding and with significant echo for Romanian rural area come from the European Union and are accessible through the specific funding programs to which Romania had access. One of the largest programs, widely known by the entrepreneurs and competent authorities in rural area was the SAPARD program, which operated in 2000-2006. We believe that this was a debut in rethinking of what can take place in rural areas and can help to ensure sustainable economic development of the country. Table no. 2 presents a summary of the most important funding programs with considerable impact on Romanian rural area.

Table no. 2 Direct and indirect financing programs of the Romanian rural area

No	Programme	Implementation period	Main topics
1	Phare (Poland Hungary - Aid for Reconstruction of the Economy)	2000 - 2003	*Strengthening of public administrations and institutions for effective functioning. * Promoting convergence with the EU legislation and reduce the need for transition periods. * Promoting economic and social cohesion.
2	ISPA (Instrument for Structural Policies for Pre - Accession)	2000-2006	* Creation and development of transport and environment infrastructure.
3	CARDS (Community Assistance for Reconstruction, Development and Stabilization)	2000-2006	* Reconstruction, democratic stabilization, reconciliation and the return of refugees. * Institutional and legislative development. * Sustainable development and structural reform. * Promotion of closer relations and regional cooperation among countries and between them, the EU and the candidate countries of Central Europe.
4	SAPARD (Special Adhesion Programme for Agriculture and Rural Development)	2000-2006	* Improving market access and competitiveness of agricultural processed products. *Improving infrastructure for rural development and agriculture. * Development of rural economy. * Human resource development. EU Budget: 1,072,721,000 Euro Romanian Government Budget: 350,483,000 Euro Other sources: 699,137,000 Euro

5	PNDR (National Rural Development Programme)	2007-2013	* Creating, marketing and diversification of agricultural products. * Diversification of the local economy. * Valorisation of environment, landscapes and cultural events. Budget: 6,875,817,062 Euro; Absorption Rate: 80%
6	PNDR (National Rural Development Programme)	2014-2020	* Structural change of farm food sector. * The insurance of growth and competitiveness. * Investments in farms and young farmers. * Natural Resources Management. * Balanced rural development.

Source: Personal processing conducted according to the research paper's profile

From an overall assessment, it follows that these programs were aimed primarily to: economic competitiveness, improving the ecologic environment in rural areas, increasing the quality of life in rural areas, diversification of rural economy, increase entrepreneurship among the rural population, facilitating access to basic services, traditional exploitation of local resources, etc. The main funds mobilized for the reconstructions of the whole Romanian rural area (agriculture, human resources, environmental factors, culture, traditions, food industry, rural tourism, etc.) are:

1. *European Regional Development Fund* (ERDF) is a special fund of the European Community, created in 1975, aimed to reduce disparities between the levels of development of regions of the Community.
2. *European Social Fund* (ESF) is the main instrument through which Europe supports the creation of jobs, help people get better jobs and ensure equitable career opportunities for all EU citizens.
3. *European Agricultural Fund for Rural Development* (EAFRD) is formed with the purpose of contributing to the promotion of sustainable rural development.
4. *European Fisheries Fund* (EFF) proposed as a new programming tool for fisheries, in EU financial framework 2007-2013.
5. *Cohesion Fund*: is a special fund of the European Community to help Member States with a Gross National Product (GNP) per capita of less than 90% of the Community average and to reduce differences in levels of economic and social development and to stabilize their economies.

One of the programs with highly significant positive impact in the insurance of Romanian rural sustainability is undoubtedly the *National Rural Development Programme* action measures of which are focused on three key issues: [19]

1. Facilitate transformation and modernization of the dual structure of agriculture and forestry, as well as related processing industries.
2. Maintain and improve the environment in rural areas of Romania, through the promotion of sustainable management both in agricultural areas and on the forest.
3. Manage and facilitate the transition of labour force from the agricultural sector to other sectors that would ensure adequate living standards from social and economic point of view.

We also believe that *SAPARD program* is the pioneer of finance sustainability in rural area and development opener of, reason to which will pay more attention to SAPARD significance for sustainable rural development in Romania. The main areas for which grants were awarded under the SAPARD program were: food industry, investments in farms, farming and forestry. Below will proceed to a general review of the main results obtained from accessing funding under SAPARD, this being a source of learning lessons for future funding programs for rural areas in Romania. [20]

1. The total amount contracted by the final beneficiaries of the SAPARD program, on July 31, 2007 was 1.131.853.787, 75 Euro, relating to a number of 4746 contracts signed.
2. On December 31, 2009 the total contracted value was 1.023.409.304,60 Euro, for a 4451 number of projects, falling by 9.58% to the contracted value and with 6.22% to the number of approved projects due to cancellation of certain projects.
3. At the end of 2009, the total amount committed for the full program was at 1354.929 million Euros, resulting in an 89.06% employment rate in relation to allocations of 2000-2006ys.
4. Regards payments on December 31, 2009 there was a total of 1348.016 million Euros, resulting in a consumer degree of 88.60% compared to allocations of 2000-2006yr.
5. Until December 31, 2009 were cancelled and sanctioned due to irregularities 1,021 projects.

Table no. 3 presents a summary of the projects undertaken by the SAPARD program in terms of number of contracts and allocated amounts.

Through a highly complex diagnosis that implies financing projects from rural areas in Romania, it is presented that in all rural sectors and subsectors there were initiated and implemented different socio-economic development projects. Specifically, in agriculture, rural economic development, human resources, infrastructure, environmental factors, etc. have received funds to support sustainability in rural areas. Involving multiple subjects of rural areas of specific development financing projects is directly related to the main problems weighing on Romanian rural area and determines stagnation or too slow developments in the transposition of the concept of sustainable development in practical reality. These include:

- low level of population education;
- very low quality or the lack of professionalism of the labor force;
- lack of specialists in the field directly connected to rural area development;
- defective and destructive mentality for own economy;
- diverse, multiple and severe social issues;
- unsatisfactory standard of living and quality of life;
- the lack of machinery, equipment and technologies for the agricultural production;
- inefficient use of agricultural land or their abandonment;
- lack of financial resources;
- poor management;
- rural environmental degradation related to such causes as: accelerating progress at a uncontrolled pace and erroneously understood, practice of intensive and unintelligent agriculture, overcoming the ecological limits of the food industry, etc.;
- urban-rural migration or abroad, causing serious imbalances in the structure of the rural population;
- recognition at real standards of traditional values and their obsolete by replacing values belonging to industrial systems, advanced technologies and social systems atypical for Romanian rural society;
- lack from the context of research profile of the depth elements related to the applicability and performance of sustainable agriculture;
- lack of interest and awareness training regarding practice of sustainable agriculture;
- erroneously applied law, accompanied by the lack of synchronicity with facts, etc.

Table no. 3 Number and value of contracted projects under the SAPARD program in Romania

The program extent	No. of submitted projects	No. of contracted projects	The total eligible amount
1.1. Improving the processing and marketing of agricultural and fishery products	736	456	331,350 mil. Euros
2.1. Development and improvement of rural infrastructure, including: <ul style="list-style-type: none"> • Roads in rural areas (50%) • Water supply (36%) • Sanitation (11%) • Prevention works and flood protection (3%) 	781	764	561,250 mil. Euros
3.1. Investment in farms	2984	1904	223, 405 mil. Euros
3.2 Setting up groups of producers	4	3	0, 075 mil. Euros
3.3 Agricultural production methods designed to protect the environment and maintain the rural area	48	1	0, 014 mil. Euros
3.4. Development and diversification of economic activities that generate multiple activities and alternative income	1658	1055	66, 336 mil. Euros
3.5 Forestry	158	113	63 , 086 mil. Euros
4.1 Improvement of professional training	5	5	2, 901 mil. Euros

Source: *Final report on the implementation of SAPARD Programme in Romania (June 2010).*

The limiting factors that we have identified as a restriction or a barrier to ensure the sustainable development of Romanian rural area can be grouped into several categories (material factors, human factors, environmental factors, political-legislative factors) and covers:

1. Material factors:

- inadequate and ineffective use of production factors and resources in rural areas;
- lack of investment and improvements in land maintenance and work executions;
- differences in technological performance;
- lack of investment in rural area or lack thereof balanced and rational prioritization;

2. Human factors:

- aging population, low education or even depopulation of rural areas, mainly through migration to other European countries;
- high level of poverty;
- low level of employment of the rural population;

3. Environmental factors;

4. Political and legislative factors:

- coordinating unfair import-export balance to the detriment of Romanian agricultural and food products;
- undersized financing or lack of thrift in the management of available funds;
- primary predominantly rural economy, where agriculture constitutes about 60% (compared to about 14-15% in the EU countries);
- insignificant fiscal requirements of agricultural and food production.

In terms of rural development zoning, studies have shown that similar areas where there are limiting factors of development are in: Northeast and Central Moldova and Dobrogea and the Danube Delta, Bărăgan area, Teleorman plain and South Oltenia, Someș Plateau and the Apuseni Mountains.

According to the studies and research in the field, it is found that rural area needs to change its mentality, attitude and a constructive approach to component and assembly of Romanian countryside in order to be on track for sustainable development [9]; as "rural territorial reality grafted on three integration elements: natural, social and economic which together make up a territorially anchored complex equally to physical and economic space and quality of life." [7]

A basis for reconsideration of Romanian rural mentality, in order to ensure sustainable development is to mobilize the human resources and labor force in this direction. "Work in agriculture is the decisive factor for the enhancement of resources in this branch, represented by land and operational capital, decisive influencing the production results". [4].

In this context, we add the meaning and importance of Romanian rural heritage with a new concept: "*retro innovation*" belonging to the Stuver & Marsden creators (2005) which calls for a return to tradition and appreciation of old traditional values as a guaranteed condition to sustainability. *Retro innovation* is based on valorisation in terms of authenticity of all local and regional agricultural resources and involves in a specifically way the labour force available in rural areas.

Regarding strategic orientations directed to sustainable economic development for the Romanian rural area, the most significant is focused on:

1. Strategy for the development of agricultural-food sector in the medium and long term 2020-2030;
2. National Beekeeping Program of Romania 2011-2013;
3. National Program of Romania for wine sector support 2014-2018;
4. National Strategic Plan for Rural Development 2007-2013;
5. National Strategic orientations for sustainable development of disadvantaged mountain area (2014-2020).

In order to support plans and projects developed by European funding programs, the period 2014-2020 will prove to be a new opportunity to accelerate sustainable rural development, as the areas of rural development, agriculture and fisheries, environment and climatic changes, cultural heritage and regional development represent a priority.

Conclusions

The most important lessons learned during the funding programs execution in the Romanian rural area, by numerous projects, from socio-economic and environmental fields are summarized in:

- the need for more effective coordination of the implementation process;
- improving the role and reducing administrative capacity limits;
- active involvement of the private sector in the projects implementation;
- stronger orientation towards results and produce multiplier effects;
- define and compliance of the priorities and investment;
- identification or creation of a stronger coordination to avoid institutional interpretations;
- ensuring a better functioning of the granting advances system;
- involvement of a large number of actors in the preparation and implementation of accessing structural and cohesion funds for 2014-2020;
- ensure transparency and flow of information useful to applicants.

The most significant factors currently available in the Romanian rural area, which can be exploited to the countryside orientation towards sustainable development linked with the following:

- agricultural land is, without reservation, the most valuable renewable natural resource of Romania;
- labour force is abundant but poorly prepared for metallization towards sustainability;
- natural capital is rich, balanced and sufficiently well preserved;
- farm's architecture, crafts, traditions, ethnography and folklore are elements of originality and have higher potential of valorisation;
- cultural heritage has as foundation the cultural inheritance specific to Romanian rural area with unique and special features;
- Romanian rural culture, woven with Romanian peasant wisdom is a basis of sustainability, unrecognized or lost in the tortuous evolution of the new economy and effervescent mercantilist type.

Despite all these benefits and advantages enjoyed by the Romanian rural area, with profound disillusionment we note that the performance of the activities in rural areas is far from ensuring a sustainable and harmonious development. A phenomenon that contrasts with the available potential, probably because of the human factor that is directly responsible for the implementing of sustainability policies and practices, but in the same time fails to effectively combines the positive factors that support sustainable development. Mainly sustainable development of rural areas can be provided by encouraging agricultural and non-agricultural traditional and specific activities, as a condition that can be achieved by accessing funds from various funding sources and programs dedicated exclusively or partially to rural area. We can mention in this context, the need to include the concept of *retro innovation* in the studies and research in the field, especially in the guidance of entrepreneurs because retro innovation of rural traditions and customs associated with production and consumption are designed to revive and reinvigorate the relationship between rural area and sustainability. For Romania, more than in other European countries, rural areas with all branches and activities that it includes, remains a key contributor to national economic development and the responsibility revitalization rests to economic and social activities specific to rural area. In this context, it is noted the proposals for valorisation of rural heritage, because only in this way will open horizons for the future and the disappointments are as disturbing factors when manifestation of this trend is a clear and obvious reality.

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