

**Partnership Agreement**  
**România**  
**2014RO16M8PA001.1.1**

**SECTION 1A**

- 1. ARRANGEMENTS TO ENSURE ALIGNMENT WITH THE UNION STRATEGY OF SMART, SUSTAINABLE AND INCLUSIVE GROWTH AS WELL AS THE FUND SPECIFIC MISSIONS PURSUANT TO THEIR TREATY-BASED OBJECTIVES, INCLUDING ECONOMIC, SOCIAL AND TERRITORIAL COHESION**
- 1.1. An analysis of disparities, development needs, and growth potentials with reference to the thematic objectives and the territorial challenges and taking account of the National Reform Programme, where appropriate, and relevant country-specific recommendations adopted in accordance with Article 121(2) TFEU and relevant Council recommendations adopted in accordance with Article 148(4) TFEU**

**OVERVIEW**

1. During the period 2001-2008 the Romanian economy expanded by an average of 6.3 percent per year, representing one of the fastest growth rates in the European Union. During 2009-2012, the GDP of Romania had an oscillating trend. After a +7.2% average annual growth in 2006-2008, a sharp contraction of 6.6% was experienced in 2009, due to the economic downturn. Growth returned in 2011 (+2.3%), but slowed down in 2012 (+0.6%), due to the combined impacts of a severe summer drought affecting agricultural output and the Eurozone crisis. (*See: Trend in GDP per capita in Data\_File.docx – Table 1*)

2. In 2013, Romania's GDP (*See: National Institute of Statistics – Publication February 14th, 2014*) grew by 3.5% compared to the previous year. The year 2013 is the third consecutive year of growth and the growth rate registered in 2013 is the highest rate recorded by Romanian economy in the last five years. It has to be mentioned that the increase of 3.5% of GDP in 2013 places Romania on the first place among EU member states, the EU average being 1.0%.

3. Nevertheless, Romania is still lagging significantly behind the majority of European countries in terms of economic development. GDP per capita recorded in purchasing power standard (PPS) was just half of the EU 27 average in 2012 and only around 70% of the average GDP per capita of the new EU Member States.

**Macro-economic policy**

4. The Stability, Coordination and Governance Treaty within the economic and monetary union was signed on March 2, 2012, by the heads of states or governments in all EU Member States, except for the United Kingdom and the Czech Republic. The purpose of this Treaty is to maintain stability in the Eurozone.

5. Romania negotiated, in 2011, with the EC and the IMF a precautionary economic adjustment programme. After the successful completion of the programme in June 2013, in July 2013 Romania requested a new precautionary financial assistance from EU and IMF. The joint mission from EC, IMF and WB during July 17-31, 2013 reached an agreement at staff level on the economic programme that could be supported by a 24-month Stand-By Arrangement with the IMF for an amount of 1,751.34 billion SDR (approx. 2 billion euro) and Balance of Payments (BoP) assistance from the EU amounting 2 billion euro. The main objectives of the programme are safeguarding sound public finances, continuing monetary and financial sector policies that preserve buffers and increase resilience against external shocks, and reducing bottlenecks to growth through structural reforms.

6. In line with the Europe 2020 Strategy and the Preventive Agreement with EU and IMF, the medium term economic strategy of the Romanian Government is oriented towards the promotion of growth and jobs, consolidation of the public finances and of the financial stability. In this respect, the Government of Romania adopted a 2014-2016 Fiscal-Budgetary Strategy aimed at meeting 7 objectives in terms of economic development, fiscal consolidation, budgetary discipline, efficiency of budgetary allocation, the national budgetary frameworks, transparency in the use of public funds and management of public debt.

### **Macroeconomic perspective**

7. For 2014, the Romanian Government and the EC anticipate an increase of 2.5% of GDP and for 2015 an increase of 2.6%. (*See: Macroeconomic projections for Romania in DataFile.docx - Table2*)

8. According to the National Bank of Romania (NBR), in 2013, the balance-of-payments current account deficit amounted to 1,505 million euro, compared with a deficit of 5,843 million euro in 2012, due to the decrease of trade balance deficit (with 3,956 million euro), the increase in the surplus of the services balance (with 1,458 million euro) and of the current transfers balance (with 287 million euro). Romania's external debt at the end of 2013 amounts, according to the NBR, to 96.4 billion euro, of which 77.0 billion euro medium and long-term debt (down 2.3% from end-2012) and 19.5 billion euro short-term debt (down 6.8% from 31.12.2012).

9. **Inflation**, as measured by the Consumer Price Index in December 2013 compared to December 2012, was 1.55%, according to the National Institute of Statistics, falling within the target of 2.5% set by the NBR in 2012. The same source, announced that the inflation rate in January 2014 compared to January 2013 was 1.06%.

10. **Employment**, according to national accounts, will increase in 2014 – 2017 at an annual average rate of 0.3% and the number of employees by 0.7%. **Labour productivity** will improve due to a more rapid increase of GDP relative to the increase in employment. The unemployment rate (seasonally adjusted) was of 7.3% in December 2013, and decreased to 7.2% in March 2014.

### **Territoriality**

11. Romania is endowed with a distinctive geography and many of the country's development challenges and opportunities have a profound spatial character. Only one of Romania's eight regions is highly developed and dynamic. With some variation, the remaining seven regions have larger rural populations and agriculturally based activities, lack modernisation and fully functioning markets. Social and economic inclusion varies across space, with rural areas significantly disadvantaged in their access to opportunities and to public services.

12. Geographical position and features influence development pattern and opportunities. Of the less developed regions, the West and North West benefit from their relative proximity to more developed Member States; the mountains and forests of the Central Region create distinctive development opportunities and constraints; some regions are relatively more affected by physical isolation and peripherally, the North East confined by the Carpathians, the South East by the line of the Danube; the wetlands of the Danube Delta support only a narrow economy and a sparse population. Whereas these areas were the most affected by the structural changes and hit by the crisis, mainly characterised by low levels of GDP per capita, reduced share in the national GDP, unemployment, limited transport infrastructure, relative lack of opportunities, requires a territorial orientation to address both place-based issues and people-based challenges.

13. The polycentric structure of Romania, with the even distribution of urban agglomerations, is an obvious asset. Economic growth in a country usually happens in places with large economic mass. In most countries, including Romania, cities are the growth engines that push the national economy on an upward path – it is cities where most innovation happens, where the largest productivity increases are registered, and where most of the new jobs are created. The role of urban areas in generating and supporting economic growth has been recognised in the "growth pole" designation of key cities.

14. As World Bank study Growth Poles – The Next Phase mentions, in demographic terms, all major cities of growth poles have decreased in size over the last two decades. With no exception, the demographic decline has been less pronounced when zooming out at growth pole areas, with some even scoring positive trends. This finds explanations in suburbanization processes, changes in preference in terms of housing consumption, loss of attractiveness of central cities or decreasing number of jobs, caused by economic restructuring. In terms of economic mass, all growth poles have had positive trends in terms of firm revenues generated within their respective areas. Analysis reveals that some growth poles seem to not have been affected by the 2008 crisis. Within their respective regions, growth poles serve as the largest economic centres and function as economic engines for the region. The seven growth poles (more specifically the centre cities of the growth poles) generate the most substantial firm revenues within their respective region – usually around 20% or more of regional firm revenues. Higher growth in some cities means that more endogenous sources will be generated and could be redistributed to help with key public investment projects in slower-growth areas. The basic principle behind the growth poles policy is sound and Romania will continue this approach in the 2014-2020 programming period.

15. A key lesson is to make future investment support conditional upon an integrated approach and consistent with the functional specialisation of urban areas (*Consultation: Ministry of Regional Development and Tourism, Territorial Unit*). Co-operation between

the urban and peri-urban areas was limited and only partial in some instances due to political differences between the urban centre and the adjacent administrative areas.

16.The LEADER approach to rural development was initially slow to gain traction across Romania, reflecting a lack of local capacity and the legacy of a culture which did not encourage initiative on the part of communities nor public-private partnership. The local development of rural areas will exploit the capacity built in local action groups during 2007-2013 and the opportunity to apply a similar approach (CLLD) will be extended to targeted secondary urban areas.

17.Given the geographic position of the country, the synergies between the EUSDR and the Integrated Maritime Policy (IMP) for the Black Sea (Blue Growth Strategy) should be better exploited; the large variety of economic and environment activities taking place in the Danube Delta and the adjacent coastal areas of the Romanian Black Sea coast should be better addressed in a more integrated manner seeking complementarities and cooperation mechanism between both strategies.

18.In the context of the two policies, based on the “Study to support the development of sea basin cooperation-Romania Country Fiche”, August 2013, which identified 6 of the most relevant and promising marine and maritime economic activities, ESI Funds will support three of them, correlated with the Competitiveness Strategy, inland waterway transport, short sea shipping and costal tourism. Inland waterway transport is one of the cheapest ways to transport goods and it is favoured in Romania by the Danube and the two waterways between the Danube and the Black Sea, the short sea shipping is one of the most important activities of the NUTS 2 coastal region being now powered by the recent discovery of new gas fields in the Black Sea which can stand as a promise for employment increase in the area and the coastal tourism has the second largest GVA contribution in the area, employment in the coastal zone being of a major importance.

19.The programming proposals set out below have been developed taking into account the distinctive spatial pattern of needs and opportunities. A combination of steering from National strategies and master plans, Regional Development Plans, selection criteria and the use of territorial development instruments will ensure that implementation of the ESI Funds is not spatially blind.

20.The national legislation for defining rural area are Law no. 350/2001 regarding territorial planning and urbanism and Law no. 351/2001 regarding the approval of the Plan for the National Territorial Planning. The commune is the lowest territorial administrative unit in terms of area and comprises villages. According to this definition and the statistics available in 2012, the rural area in Romania has a surface of 207,522 km<sup>2</sup> (87.1%) and 45.0% of Romania’s population lives in this territory.

21.The Strategy for the development of the agri-food sector on the medium and long term (2020-2030) guides the EAFRD investments and identifies four key strategic priorities for the development of the agricultural sector: (i) increasing the competitiveness of the agri-food sector, (ii) ensuring the sustainable management of natural resources; (ii) ensuring living standards in rural areas and (iv) stimulating a knowledge-based agriculture.

### **Challenges for national growth**

22.Romania continues to face tremendous development challenges. The following challenges for national growth have been identified, needing strategic investments to remove obstacles to development and to unlock the country's economic potential:

*The competitiveness and local development challenge*

23.The overall level of economic activity in Romania is still very low. Examination of sectorial scale, structure and performance makes clear the *challenge for competitiveness* in Romania:

- the present dependence of employment upon very low value adding semi-subsistence based agriculture in absence of other economic alternatives, with a very high share of small farms (almost 93% of total farms) with low market orientation, low level of productivity and technical endowment;
- the character of enterprise culture as reflected by the relatively low business density in all regions except for Bucharest-Ilfov and its skewedness towards low value-adding activity;
- internationally uncompetitive levels of productivity in many areas of industry;
- the present under-representation of higher value adding services within the economy;
- fragmentation, excessive standardization, inefficient use of resources in Romanian R&D and academic environments and the absence of strategy for developing research-intensive institutions.

*The people and society challenge*

24.Romania is subject to great disparities in wealth, opportunity, education, skills, health and in many areas these have intensified in the past decade. There is a profound territorial character to disparities, with pronounced variations between regions, counties and between urban and rural areas, which requires tailored and strategic interventions in order to fight against poverty, social exclusion, improving access to education.

25.In terms of employment, in 2012 the employment rate of the working age population (20-64 years) was 63.8%, with higher values for men (71.4% versus 56.3% for women) and for people in rural areas (60.7% in rural areas versus 58.7% in urban areas). (See: [http://www.insse.ro/cms/files/statistici/comunicate/com\\_anuale/ocup-somaj/somaj\\_2012r.pdf](http://www.insse.ro/cms/files/statistici/comunicate/com_anuale/ocup-somaj/somaj_2012r.pdf)). Moreover, the discrepancy between Romania and EU average concerning the employment rate was 5.7 at the level of 2012.

26.At territorial level, important regional disparities are noticed, with North-East region having the highest employment rate (in 2012, 64.9%) and Centre region registering the lowest employment rate (53.4% in 2012). Significant discrepancies between Romania and EU 27 are registered also in the employment rate among young people (aged 15-24), being eligible for Youth Employment Initiative (Centre, South-East, and South-Muntenia).

27. Romania still faces important challenges in terms of poverty and social exclusion, affecting mostly less developed regions, due to low-level of economic activity, the high dependence upon low productivity agriculture, fisheries and related activities, unsustainability of past models for regional diversification, leading to de-industrialisation and migration. Regarding the territorial distribution of poverty, there are significant differences between Bucharest-Ilfov and North-East and South-East regions. Moreover, there is a high share of people under risk of poverty and social exclusion, particular in rural areas and small towns.

28. This will require a higher involvement of the local authorities in addressing these challenges, which should be correlated with an appropriate investment in building their administrative capacity in applying the appropriate solutions.

29. The potential of the community-based services and of the social economy models in tackling these issues should be better valorised. In addition, the experience from 2007-2013 programming period underlined the need of using an integrated approach in dealing with social inclusion issues by facilitating the access to education, employment, health, housing and social services for those belonging to disadvantaged groups.

30. There are great challenges in restoring the performance of the education system and, in the context of a depressed demand for labour in making education attractive and seen to pay. Apart from creating a modern and well-equipped educational infrastructure, there are challenges to overcome in extending access to early education, combating early school leaving, increasing the relevance of education and training to the needs of the labour market and opening access to tertiary education and to lifelong learning. Also, there are important ethnic and territorial discrepancies, particularly between the rural and urban areas in terms of enrolment, drop-out rates and educational achievements. Also, intraregional disparities are noticed particularly in counties with lower economic development and high share of rural population.

#### *The infrastructure challenge*

31. Romania is hampered in pursuing growth by underdeveloped and outdated infrastructure. Although Romania sits on important routes connecting Central Europe with the Black Sea and the Caucasus, its *transport infrastructure* is underdeveloped relative to the volume of goods and passengers that transit Romanian territory, and accessibility remains a major barrier to regional growth. Connectivity via all transport modes is suboptimal due to the backlog of investments, as well as administrative deficiencies in the maintenance and operation of the infrastructure.

32. As regards *ICT infrastructure*, basic broadband should be universally available by 2015 as a result of existing initiatives, although take-up remains low. However, Romania faces particular challenges in extending New Generation Access in rural areas where, in the absence of public intervention, it is estimated that by 2020 less than 50% of households will be covered with speeds over 30Mbps.

#### *The resources challenge*

33.Romania is well endowed with *energy resources*, a significant proportion of which is from renewable sources and has potential for further extension. It has a much lower reliance on imported energy (21.7% in 2010) than in the EU27 (52.7%). The efficiency of Romania's electricity generation, transmission and distribution systems (from renewable sources such as wind, solar and on the other hand nuclear and gas turbines) is close to the EU average. The efficiency in energy use is poor, notably as a result of badly insulated residential and public buildings combined with inefficiency in the district heating transmission and distribution systems.

34.Romania is confronted with a range of natural and man-made environmental risks which pose a threat to Romania's citizens, its infrastructure and its natural resources. Risks arising from or exacerbated by climate change have had a major impact over the past decade; recurrent floods, forest fires and drought, have caused extensive loss and damage across the country. In some situations, the national response capacity was exceeded by their severity. Coastal erosion on the Romanian shoreline is also a consequence of climate change, particularly due to the rise of the Black Sea level.

35.The extension and modernization of the *water and wastewater infrastructure* continue to be one of the most important priorities in improving Romanian living standards, especially in rural areas. Waste management is still far short of European standards with low levels of re-use, recycling and energy recovery. Romania has as transition period until 2017 to phase out non-compliant landfills.

36.Romania is well endowed with natural assets, which, if sustainably managed, can offer important development potential, but environmental quality and biodiversity remain under pressure from both natural process and economic activity. There is a need to enhance environmental protection and to shift to more sustainable practices in areas where agriculture production is intensifying and in construction sector, in extractive industries and in business generally.

#### *The administration and government challenge*

37.Romania is still characterized by weak administrative capacity of public institutions and a predisposition towards bureaucracy and disproportionate regulation that seriously influence the competitiveness of Romania's business environment. Despite efforts to implement a robust policy process in Romania, reforms are urgently needed to improve the quality of public administration. Romania has taken numerous steps to create a strong, independent and well respected justice system. While progress has been made in many areas, it still remains a need for further capacity-building, reform and modernization.

38.The absence of an effective system of cadastre represents a significant obstacle to the development and implementation of infrastructure, property development and consolidation of agricultural land.

#### **Global objective and strategic contribution of the European Structural and Investment Funds**

39. Taking into account the macroeconomic situation and policies, together with the highlighted bottlenecks to national growth, the Government of Romania has established the funding priorities for the use of European Structural and Investment Funds in the 2014-2020 PA with the global objective *to reduce the economic and social development disparities between Romania and the EU Member States*.

40. By using a macroeconomic model called R-GREM, it was examined *the potential* of the Romanian economy to respond to the European funds injection during the period 2014-2020, the impact on GDP trends being emphasized.

41. The *prospective effects* that may be generated by ESI Funds on the GDP growth are related to the amounts planned to be spent under three categories of policy interventions: support for infrastructure, human capital development and promoting private investments in innovation. The analysis was carried out in terms of comparing the “without EU funds” baseline scenario relative to “with EU funds” scenario, undertaking a sensitivity analysis based on different rates of absorption.

42. In a realistic scenario the total amount spent represents 40% of the EU allocation and the annual rate of GDP has an increasing trend, while the growth dynamic remains virtually unchanged compared to the baseline, reaching 4.15%, almost double the growth rate value estimated for the beginning of the programming period.

43. In the second alternative scenario (“optimistic”) the absorption capacity is improved, the expenditure rate being 80% of allocated resources and leads to a considerable increase in the rate of economic growth. Thus, the estimated real GDP in 2020 is 15.1% higher than in the baseline scenario “without EU funds”.

44. There were performed a series of scenarios using HEROM model in order to illustrate the impact of EU funds for the programming period 2014-2020 upon the Romanian economy in terms of combining the volume of allocations between sectors.

45. In order to achieve the simulation of the impact of EU funds on the Romanian economy were built four alternative scenarios where the total allocation (without EAFRD allocation) amounted to 22.54 billion was distributed differently on the three major components that are key input variables in HEROM model: (1) infrastructure, (2) direct support and (3) human resources. It aims, on the one hand, to illustrate and quantify the positive effects of structural intervention in the economy (e.g. additional growth, jobs and additional income etc.) and to answer the question whether these allocations are optimal. *(See: the Four scenarios designed for allocating funds in DataFile.docx – Table 3)*

46. Estimated impact by HEROM was achieved against a baseline scenario (without funding) built taking into account the prognosis and other NCP estimates considered assumptions (parameters, coefficients) for 2014-2020.

47. All three types of funding are neutral in terms of the deficit, EU funds are accounted as expenses and as revenue as well, recording an increase in both revenue and expenditure and the difference remains the same. However, in reality, EU funds requires an internal contribution.



48. Simulations of these funds show a further cumulative increase of GDP over the 2014-2020 period compared to the baseline scenario between 10.9 and 15.1 percentage points throughout the period, scenario 1, characterized by a predominant allocation in infrastructure, being the most effective. *(See: the Real cumulative impact in 2014-2020 compared to a scenario without funds in DataFile.docx – Table 4)*

49. In the light of efficiency (macroeconomic impact/injection of funds), Scenario 1 is the scenario still desirable and will be considered an alternative to the scenario without EU funds *(Note: the positive effects are as shown in DataFile.docx – Table 4)*.

50. If we consider the current level of Romania's GDP to the EU27 by 49%, the forecasts obtained show that, in 2020, the Romanian economy will be at a level of 60% of the average EU27 using scenario without funds, while in scenario 1, will reach about 65-70% of the average.

51. In accordance with the specific intervention through structural instruments, HEROM revealed that investments enjoy considerable additional intake in 2014-2020: from 24.7 percentage points in Scenario 1 to 20.9 percentage points in Scenario 4 in addition to the dynamics scenario in which there would be no structural and cohesion funds. The investment process has maximum intensity in scenario 1 where most of the funds are directed to infrastructure.

52. Favourable development of economic activity will be reflected on the labour market so that on average 7 years of the forecast period will be about 338,000 more jobs in Scenario 1, compared to the baseline scenario. On the other hand, the unemployment rate in 2020 will be about 4.4 percentage points lower than the level that would have been in the scenario without funds. The positive effects of funding on economic activity and domestic demand will be reflected in the budget, where budget revenue will increase more than costs, leading to shortages becoming smaller and at the end of the period even passing on surplus in scenario 1 since 2018.

**53. In order to achieve the economic growth aspirations reflected in the global objective of this PA, Romania will have a modern and competitive economy by tackling the following five development challenges:**

- **The competitiveness and local development challenge**
- **The people and society challenge**
- **The infrastructure challenge**
- **The resources challenge**
- **The administration and government challenge**

See the Action under the five development challenges will contribute towards Romania's Europe 2020 targets *(See: DataFile.docx – Table 5)*

See the Eight challenges that are found also in the Council's Country Specific Recommendations for 2014 *(See: DataFile.docx – Table 6)*

## **ANALYSIS OF DISPARITIES AND IDENTIFICATION OF THE MAIN DEVELOPMENT NEEDS FOR THE COMPETITIVENESS AND LOCAL DEVELOPMENT CHALLENGE**

### **General**

54.Competitiveness is commonly defined as the capacity of a business, operating in the context of open markets, to retain its market share. There are many facets of competitiveness of an individual business, including:

- the entrepreneurial quality and capacity of its managers;
- the distinctiveness and the quality of its goods and services;
- its level of innovation;
- its physical and virtual connections with its markets;
- the efficiency of its production process;
- its access to the factors of production - land, labour and capital.

55.The concept of competitiveness can similarly be applied at the level of countries and regions, in which context many of the same facets of competitiveness are manifested in a more aggregated form:

- the extent of enterprise culture;
- areas of comparative advantage;
- resource endowment;
- research and innovation systems;
- transport and communications infrastructure and services;
- availability of sites and premises;
- skills availability;
- functioning financial markets.

56.The DG ENTR Competitiveness Scoreboard provides a summary appreciation of Romania's relative position. In all but a few measures, Romania is in a weaker position than the EU average, and in a third of measures by a substantial margin, with low productivity, low business R&D and small number of high-growth enterprises prominent. (See: *Romania Competitiveness Scoreboard - Distance from EU Average - standard deviations - in DataFile.docx – Table 7*).

## Challenging market conditions

57.The Romanian economy expanded quite rapidly between 2003 and 2008. Following a sharp downturn in 2009 and 2011, growth returned in 2011, but at a lower rate. However, the overall level of economic activity in Romania remains very low.

58.A major constraint on growth is the low level of disposable income which derives from the employment structure. Of the 8.3 million jobs in Romania only just over 4 million jobs are salaried. The very high level of self-employment (2.1 million, 25% of all jobs) is more associated with subsistence agriculture and a lack of alternatives rather than entrepreneurship. A further 1.4 million jobs (17% of all jobs) is unremunerated family labour, a category that barely exists in the more developed economies of the EU.

59.There is a profound **territorial** character to economic activity in Romania. Growth over the past decade has been heavily skewed in favour of Bucharest-Ilfov which has become a mainstream functioning market economy with a mix of manufacturing and service employment and a GDP per capita which exceeds the EU average. However, in the other seven regions, development growth and diversity of economic activity is much lower and the prospects for business growth are much more challenging:

- low levels of disposable income arising from the small number of salaried jobs inhibit the development of internal markets; subsistence and semi-subsistence agriculture, barter and black labour substitute for formal economy;
- consumer credit is underdeveloped consequently;
- the highly dispersed pattern of settlement in rural Romania results in local markets that are thin;
- SMEs are disadvantaged in their access to public sector markets, which represent a significant proportion of aggregate demand in the developing regions.

60.Against this background the majority of SMEs are small, locally focused and have limited growth orientation. Markets and distribution are underdeveloped.

## Low business density

61.Romania has the second lowest density of businesses in the EU27 (*See: Eurostat Statistics in Focus 31/2008.*). In 2011, the population of companies stood at 452,010, with an overall density per 1,000 population of 20.4. SMEs contribute 53% of GVA, 5 percentage points below the EU average.

62.In terms of **territoriality**, across Romania's development regions there are significant variations in business density (*See: Commission Services Position Paper (October 2012) p7.*). Bucharest-Ilfov is a significant outlier with almost 2.5 the average density of businesses. Four regions, North-West, Central, South-East and West are clustered around the average business density (around 12%). However, three regions, North-East, South-Muntenia and South-West Oltenia have significantly lower rate than average business density (62%-70% of the average). The SMEs density recorded in the rural areas is 9.64 SMEs per 1,000 inhabitants, much lower than the national average, the primary sector registering a small share of SME's from the total national level (only 3.41% in 2011).

63. Economic operators encounter difficulties in growing, with low turnover and overwhelming dominance of microenterprises (90%), hampered by several obstacles: shortage of medium and highly skilled labour force, access to finance, excessive red-tape with weak governance regarding the business environment, market with fragmented and inconsistent institutional set up and weak entrepreneurship, in particular in rural and fisheries areas.

### **Overdependence upon low value-adding activities**

64. Less competitive industrial sectors account for some 1.2 million jobs, or close to 70% of all jobs in industry. This diverse sector comprises extractive and primary processing sub-sectors, as well as utilities and manufacturing, but is weighted towards less advanced forms of manufacturing. Lower productivity in these sectors is variously associated with low levels of investment, low levels of innovation and low skill levels among managers and operatives.

65. Retail services - *Commerce, motor trade, transport, hotels and restaurants* - account for almost half of the total business units and just over a fifth of all jobs, close to the EU27 average. The contribution to GDP is just 13% and labour productivity is below average.

66. Within this, *Tourism* directly supports about 193,000 jobs (2.3% of total employment), while its contribution maintaining employment in related sectors is estimated to be more than twice as high. Romania's tourism potential is concentrated in certain niche areas. Promising sub-sectors with critical mass and higher added-value are health tourism and ecotourism. Romania has around a third of the natural mineral springs in Europe, offering diverse treatments. Investments to realise local development, may be supported in situations where local/regional development strategies have objectively demonstrated the existence of tourism potential.

67. The *Construction* sector is larger than in most EU countries. The share of business units and GDP is fairly even at just under 9%.

68. Higher value adding services - *Information and communications, Financial and insurance, Real estate, Professional and administrative services* are underrepresented relative to EU average, accounting for just over 8% of jobs, but generate almost a quarter of Romania's GDP.

69. In the period 2008-2011 overall employment reduced by 4.4%, with the extractive and energy sectors experiencing sharp contractions in employment as did the construction sector. Most retailing and related sectors saw only a small reduction in employment, perhaps due to the prevalence of self-employment and family businesses. Real estate was badly affected and continuing reform saw the loss of large numbers of jobs in the public sector. Tourism is reported to have demonstrated resilience and having contracted since 2008 to have grown sharply in 2012 (*Source: WTTC.*)

70. Sectors experiencing employment growth in 2008-2011 were mainly in the higher value adding services group, Logistics, ICTs, financial services and business services, all saw increases. Professional and scientific services experienced a below-average

reduction. This pattern suggests that Romania's transition to a modern service-based economy continued throughout the recession.

71. *Agriculture, forestry, fisheries and aquaculture* account for almost 30% of employment, almost five times the average for the EU. Its contribution to GDP is almost 7%, but is nevertheless three times the EU27 average. Labour productivity in agriculture is less than a quarter of the average for all sectors in Romania and a quarter of the European average in agriculture (4,328.5 euro/AWU, respectively 14,967.0 euro/AWU, in 2012). The indicator displayed one of the lowest growth rates as compared to the rest of European countries (of only 0.1%).

72. Romania's agricultural land and waters remain a vastly under-exploited resource. There is clear scope for much greater development and for growth through their integration with the European food system.

73. The potential in agriculture is constrained by particular development challenges relating to a polarised structure of holdings. Large and medium farms which are potentially competitive, but need to be modernised, and meet European standards account for just 7% of holdings but manage some 70% of utilised agricultural area (UAA). Some 93% of holdings of less than 5 ha comprise the remaining 30% of UAA and are operated on a subsistence or semi-subsistence basis, with low or no market orientation or co-operation to achieve scale, reduced level of productivity and technical endowment.

74. These holdings however represent an important buffer in Romanian society and in environmental terms are providers of significant public goods by preventing land abandonment and loss of biodiversity. The average size of a holding (3.4 ha UAA/farm) is more than four times smaller than the European average (14.3 ha UAA) (source: Eurostat), meaning that the fragmentation level is very high. Modest progress in consolidation in period 2005-2010 saw the number of agricultural holdings decrease by 10%.

75. As a result, skills, innovation, productivity and incomes within these small units are low. An inevitable consequence of improving the market orientation and productivity within the small units is that they will support far fewer jobs than at present. Accordingly, diversification and the generation of alternative sources of employment in rural areas, whether within the agricultural sector or outside it, including by the development of local processing and marketing activities, is critical to more sustainable rural development. In 2010 less than 1% of holdings derived more than 10% of their income from activities outside farming.

76. Regarding the relevant achievement of NRDP 2007-2013, by the end of 2013, 1,259 agricultural holdings were supported for improving competitiveness, 60,870 semi-subsistence farms were supported for restructuring and 12,976 young farmers were set up.

77. However, there are a lot of lessons learned which will be taken into consideration on 2014-2020 period, such as: establishing the more appropriate and verifiable selection criteria, simplification of technical and economical submitting documentation, more clear evaluation procedures and more adapted structure of paying agency.

78.The lesson learned will be also reflected in the way of delivering the support, which will be more targeted and in accordance with SWOT analysis and needs assessment. For example, the support will focus on family and medium sized farms and also on their associations. The establishment of criteria will take into consideration their possibility to have an appropriate verifiability and controllability in order not to create artificial advantages. The lesson learned show us also that a special approach with respect to compliance with EU standards has good results and this approach should be followed. Also, a better coordination with agricultural strategy and competitiveness strategy targeting the high added value products will be envisaged.

79.The fruit sector faces particular structural difficulties throughout the entire production and marketing chain. It declined continuously during 2000-2011, the area of orchards decreasing by 38% and more than half are aged. Fruit storage capacity is also low, covering only 14% of production capacity, affecting the sector's ability to provide fresh fruits and raw materials for processing units all year round.

80.The agricultural sector overall faces economic risks associated with adverse climatic events and climate change. Economic instruments (insurance, risk management) can help to address these challenges.

81.As elsewhere in Europe, Romania's agricultural workforce is ageing with a particular problem of intergenerational change among farm managers.

82.Beyond the farm gate, Romania's high potential to expand exports into the European Food markets is presently limited by lack of investment in primary processing and its alignment with European standards and consumer expectations.

83.Agricultural and forest sectors development are affected by the low development of agricultural and forest road infrastructure. The average forest national roads density level is 6.3 m/ha, while in similar relief countries it reaches 36m/ha, 40m/ha and 26 m/ha.

84.The low density and poor quality of existing forest and agricultural roads impacts not only on the economic activities of forest and agricultural holdings, but also on the social life in rural areas. As almost half of Romanian population lives in rural areas, the forest and agricultural roads network sometimes represents, for people living in remote villages, the only way to access health and education services of neighbouring villages. Denser forest road network has also environmental benefits, allowing soil protection harvesting equipment to be used more frequently (e.g. skylines) or facilitating a quicker response in an event of forest fire.

85.Although making a modest contribution to Romania's GDP, fisheries and aquaculture, with fish processing and trade in fish and fish products, are present in all regions. In isolated areas, notably the Danube Delta, the Danube Plain and the Danube Gorge, fishing activity is an important source of employment and income for the local population. Aquaculture has a wider value for Romania through food resources produced and its role in creating and maintaining wetlands and biodiversity of many fish and bird species.

86. Fish production in Romania fell by a third between 2009 and 2011. However, the increasing trend on long term in domestic consumption of fish and fish products, together with the present low share of Romanian production, suggests that there is scope for growth in the sector.

87. The competitiveness of inland fisheries is hindered by lack of targeted investments in vessels, the exploitation of viable ponds and in infrastructure. Although Romania has a large surface of aquaculture ponds, the range of species farmed is narrow and could be better aligned with market demand. Management, including environmental management, is weak; aquaculture production is underreported. Processing and marketing are inefficient, with a high reliance on direct selling. Marine aquaculture does not benefit from favourable geographic and weather conditions, limiting scope for development and diversification. Only four areas for developing shell farming have been identified. The development potential of Romania's Black Sea fisheries is ultimately constrained by the sustainable fish stock. Overfishing has led to a low diversity and quantity of high value fish. Nevertheless, the free competition is hampered as Romania has to comply with the Black Sea management regime, having to observe CFP rules, while the largest fleets in the sea basin (Turkish, Ukrainian) are not obliged to comply with these rules. Low competitiveness is mainly caused by low diversity and quantity of high value fish, inefficient and low number of vessels, inappropriate fishing infrastructure and restrictions related to the fleet threshold. Investments in basic infrastructure would have a broad catalytic effect.

#### **A small number of strong sectors**

88. The issuing of the National Strategy for Competitiveness (NSC) represents a process undertaken by Romania through the National Reform Program 2011-2014 (updated for year 2014), observing the direction which aims to promote the economic competitiveness and local development in line with Europe 2020 Strategy. The Strategy is the result of the statistical research, consultations and debates with the private sector and civil society. This is an horizontal strategy which aims to develop a competitive business ecosystem based on a stable regulatory environment, focused on entrepreneurship, innovation and creativity, which emphasizes trust, efficiency and excellence and that will place Romania among the first 10 European economies and identifies five strategic priorities: *Improving the regulatory environment, Partnership actions between the public and the private sectors, Supporting factors and services, Promoting the 10 prospective sectors and Preparing the 2050 generation and the societal challenges*. The Strategy was developed in direct correlation with other national strategic documents, especially with the National Strategy RDI. The Strategy's operationalization will be facilitated by a monitoring and evaluation system to be put in place at the level of the Ministry of Economy, in close cooperation with the authorities directly responsible for the implementation of the strategy.

89. The National Competitiveness Strategy identifies competitive industrial and value-adding service sectors which have demonstrated recent growth (*See: There is a high degree of commonality in the findings of studies on recent growth and relative sector strength, notwithstanding use of different data sources including FGB et al 2013, Socio-economic Needs Analysis and ARUP 2013: Analysis and Evidence Base of the R&D&I Market in Romania. Less research is available on future potential, but Cojanu (2012) New directions of industrial policy and needed structural change concluded that*

*Transport Equipment and Agri-food have greatest development potential and included motor vehicles, food and beverages, and leather and textiles as having strong growth potential alongside, on a smaller scale tobacco, machinery and equipment, electrical equipment and decontamination service) and good export performance:*

- automotives is high value-adding, comprises some 500 large and medium companies, including manufacturing and assembly by Ford and Renault; their involvement in supply chains has improved the productivity and competitiveness of Romanian companies; highly export oriented.
- food and drink is medium-high-value-adding and medium technology; the sector includes some large companies, but has a long tail of some 7,000 SMEs, its focus is primarily on the Romanian internal market;
- organic farming has expanded and is highly export oriented;
- textiles and leather is lower value-adding and low-medium technology but there is scope to increase productivity and added-value through innovation; the sector comprises some 4,000 SMEs and has a high export orientation;
- information and communications technology is internationally competitive, but mainly focused on outsourcing for foreign clients rather than on Romania's internal production system;
- financial services is mainly internal market focused.

90.However, aggregate direct employment in these sectors is around 700,000 persons, less than 10% of the total. Although these sectors are expected to grow, their leverage on the overall economic situation is limited, but they can be engine for innovation. The industry's role in creating GVA is very strong, Romania having in 2010 the highest share of industry in GVA (29%) compared with the EU average of 18.7%.

91.The National Competitiveness Strategy also recognises the current and potential role of cultural and creative industries, which account for around 6% of GDP, in contributing to the value in the supply chains of strong and second-tier sectors, through the application of design for example, and in contributing to local development.

### **Cultural and tourism activities and local development**

92.The enhancement of cultural activity, which is not delivered on a socially optimum level in Romania's less developed regions, has potential to contribute to local development. In addition to improving the quality of life and the attractiveness of Romania's towns, rural areas, coastal areas and the Danube Delta, the improvement of local cultural services and multifunctional infrastructure, together with investments in e-culture, have potential to enrich Romanian education, to capitalize the specific local tourism potential, to stimulate the local development by creating new markets available to SMEs. Also, Romania's complex and diversified tourism potential allowed the individualization of a highly attractive tourism destinations, which are distinguished by practicing specific forms of tourism. The tourism local development will contribute to the economic growth, including to the lagging behind areas, which have a high tourism potential as well as to the creation of new jobs in a diversified economy, with the aim to



reduce the dependency on agriculture, traditional economic sectors or of those sectors which face difficulties.

93. Investments in cultural and tourism activities, may be supported where the prospective contribution to local development is identified as a priority under the relevant Regional Development Plan, is justified on the basis of prospective economic impact and is in line with the Strategy for Culture and Patrimony 2014-2020.

### **Sources of new business activity**

94. New businesses, Foreign Direct Investment and export markets represent sources of new business activity for the Romanian economy.

### **New businesses**

95. Both the set-up and closure of businesses play an important role in improving the competitiveness of the business base. The creation of new businesses is particularly important. In recent economic cycles in the EU, the newly created SMEs have accounted for a significant proportion of overall employment growth. In Romania, the formation of new companies had been proceeding well up to 2008 but stalled during the recession and has yet to fully recover. Romanian businesses proved to be less resilient during the recession than the EU 27 average.

96. Both churn and survival rates in Romania are close to the EU average (*Source: DG ENTR Competitiveness Scoreboard*). In the period since 1995, the one year survival rate has remained between 60% and 70% with the exception of 2008, when it fell to 51% (*Source: New Companies and the Profile of Entrepreneurs in Romania, 2013*).

97. Recent years have seen a slight increase in the proportions of new businesses established in industry (16.8%, in 2011) and construction (11.7%, in 2011), but trade continues to be dominant with close to 50% (*Source: New Companies and the Profile of Entrepreneurs in Romania, 2013*).

### **Foreign direct investment**

98. Given the underdevelopment of domestic enterprise culture, foreign direct investment continues to play an important role in the development of Romania's economy, both in industry and higher value adding services. It represents an opportunity to integrate Romanian companies into international supply chains and to support improvements to their quality, level of innovation and productivity. Accordingly, future investments will give precedence to support for FDI in high added value sectors, but will not be restricted to these.

99. FDI enterprises have a positive impact on foreign trade of Romania, contributing to total exports - 71.4% in 2011. In manufacturing, 17 of the 23 industrial sectors are dominated by multinationals (*Source: Central Bank of Romania, Annual Report on Foreign Direct Investment*).

100. In the period to 2011, Romania received 55.1 billion euro in foreign direct investment (*Source: National Bank of Romania*). The distribution by sector is significantly aligned with Romania's strong sectors. Manufacturing industry has accounted for 31.5% of the total, within which chemicals and plastics, automotives and transport equipment, metal processing and food and drink have been prominent. Other large sectors include financial services (11.5%), construction/real estate (10.7%) and utilities (7.9%). ICTs account for just over 5%, underlining the contribution of domestic companies to the sector's growth.

101. The strongest FDI inflows were between 2004 and 2008 when privatisation was a strong contributory factor. Flows have reduced markedly during the recession (*See: Commission Services Position Paper, October 2012, p.4.*). Nevertheless, in 2012, Romania was rated in the top quartile of European countries in terms of their attractiveness for investment in the next three years (*See: Ernst and Young, 2012, European Attractiveness Report*).

102. In terms of **territoriality** Romania's less developed regions have received only 38.3% of the total FDI to date.

103. During 2003-2011, 3 regions, South-Muntenia, West and Bucharest-Ilfov, registered an increase in the volume of FDI, while 4 regions, North-East, North-West, South-East and Centre, registered, in 2009, a significant decrease. The decline continued in 2 regions, South-West and South-East between 2009 and 2011. Of the 8 regions, North-East is the least attractive region for foreign investors, while South-West has potential to attract a bigger volume of foreign investments (*See: Ministry of Regional Development and Public Administration 2013, draft National Strategy for Regional Development.*)

104. Analysis of the composition of FDI suggests that Romania's has been attractive for manufacturing industries with low embedded technology and high energy intensity. Part of this pattern reflects the characteristics of businesses that were acquired by foreign interests as part of Romania's privatisation process. However, it also reflects the relocation of low value-adding activities from countries with a competitive economy, to take advantage of Romania's available workforce and lower costs. For a small proportion, particularly Asian investments, the motivation is to penetrate new markets.

105. The opportunity for greenfield investment has been an attraction for some investors and such investments have had a significant impact on competitiveness, building new facilities, bringing know-how and new technologies and creating new jobs. In terms of territoriality, most FDI in greenfield has been in Bucharest-Ilfov (60.5%), followed by Centre Region (11.0%), West Region (9.3%) and South-Muntenia (6.3%).

106. The different level of attractiveness of Romania's regions to FDI reflects their relative proximity to European markets, weak transport and poor basic infrastructure compounded by an obstructive business environment and a lack of entrepreneurship in the private sector.

## Exports

107.The National Export Strategy 2014-2020 ([http://www.minind.ro/strategia\\_export/SNE\\_2014\\_2020.pdf](http://www.minind.ro/strategia_export/SNE_2014_2020.pdf)) highlights that in 2007-2012, Romania has increased the share of total exports in GDP from 29.3% in 2007 to 40% in 2012, but is still below the EU average (40.1% in 2007 and 44.7% in 2012). Machinery, equipment and other manufactured goods represent the majority of Romania's export portfolio (almost three quarters of total), while agro food products register a growing share. Automotives have contributed most to the overall increase, but food and drink, textiles/leather and chemicals have also seen significant growth. The National Export Strategy 2014-2020, also highlights the potential in sectors including industrial equipment, marine fabrication, furniture, electrical products, pharmaceuticals, telecommunications equipment, software and IT services. The evolution of exports in the period 2007-2011 demonstrates that Romania has sectors that can compete internationally.

108.FDI contributed greatly to export growth. Some 100 companies with a high representation of foreign capital or joint ventures account for 50% of exports. Moreover, given the significance of foreign owned businesses in export sales, it demonstrates that global businesses can invest in Romania and be successful.

109.The National Export Strategy 2014-2020 identified as the main constraints for export performance the low labour productivity, general technological gap and weak promotion and support for export of innovative products by businesses, research institutions and public authorities.

110.Also, the custom infrastructure has an important impact on foreign trade flows, its improvement conducting to trade facilitation, therefore to economic growth. During 2011-2013, the exported goods had 0.8% increasing average. A one hour stop in a custom is equivalent with a covered distance of 70 km. A stop of 3-4 hours could be quantified as 210-280 km covered, so the freight transports arrive with delays at destinations, with negative effects on foreign trade flows and on the competitiveness of Romanian enterprises in the European market.

111.Proposed priorities for funding under TO 2, TO 3 and TO 7 tackle the possible impediments to external trade limiting economic development.

### **An insufficiently supportive business environment**

112.According to the World Economic Forum, the most problematic factors for doing business in Romania are corruption, tax rates, government bureaucracy and inefficiency, access to finance, tax regulations, inadequate infrastructure, inflation and an inadequately educated workforce (*See: The Global Competitiveness Report 2012-2013, World Economic Forum, pg. 302* )

### **Bureaucracy**

113.Despite progress, the Romanian business environment is still confronted by excessive bureaucracy, notably in relation to fiscal management and the complexity and duration of procedures (*See: Commission Services Position Paper, October 2012, p5; National Reform Programme 2011-13 Progress Report, March 2013, p9; European*

*Council Recommendations on Romania's National Reform Programme, June 2013, p8, p11).* Regulation lacks proportionality. Administrative, accounting and reporting requirements are common to large and micro businesses. This contributes to maintaining a high rate of activity outside the formal economy. Unnecessarily restrictive criteria, high costs of participation and the inability to contract on bases other than price deter or exclude many SMEs from public sector markets and deny Romania a major source of micro and SME growth that is mainstreamed in the EU.

114. In order to address these issues, the National Competitiveness Strategy proposes “a better regulatory framework for the business environment” in line with the European Council Recommendations concerning promotion of administrative transparency and legal certainty. Additionally, the existing regulatory framework for SMEs (the Law no. 346/2004) has been amended and completed in line with Small Business Act principles under the National Reform Programme 2011 – 2013 (*See: National Reform Programme 2011-2013 Progress Report*). The development of e-government services is seen to have considerable potential in reducing the administrative burden. Similarly, there is potential to improve trade flows by removing customs administration and infrastructure bottlenecks.

### **Access to finance**

115. Access to business finance remains problematic (*See: Commission Services Position Paper, October 2012, p7; National Reform Programme 2011-13 Progress Report, March 2013, p9, p10; European Council Recommendations on Romania's National Reform Programme, June 2013, p8, p11.*) and recent surveys contain mixed messages on whether the situation is improving or not. On one hand, in 2011, 15% of Romanian SMEs reported access to finance as their most pressing problem - in line with EU average - reduced from 27% in 2009 (*See: Ipsos MORI, 2011, SME Access to Finance Survey. The methodology of the study implied - CATI - interviews, questionnaires*).

116. On the other, against an improving trend across the EU27, Romanian SMEs reported a deteriorating position in the last 6 months in relation to availability of finance from banks (13%), public support (47%), trade credit (25%) and equity (40%).

117. In fact, there is a difficult relationship between the financial intermediaries and the SMEs. On one hand the banks consider that SMEs financing is a high risk and a low margin activity (in view of the high management costs relative to the scale of advances), and on other hand the SMEs cannot provide the level of security or detailed financial plans needed to access the credits.

118. Research carried out by EIF (*See: EIF, 2009, Executive Summaries of Evaluation Studies on SME Access to Finance*) highlighted difficulties in accessing finance faced by SMEs, and new starts-ups in particular. Finance from banks was identified as the main source of external financing. Relatively few proposals are of a scale where private equity becomes economic; limited personal asset values constrain access to bank-based loan finance on commercial terms.

119. The JEREMIE Fund (100 million euro) is the largest financial instrument implemented in period 2007-2013. Although approved in 2008, it was not active until 2011 when the first financial intermediaries were contracted for the “Portfolio

Guarantee” product (68 million euro) that had in June 2013 an estimated portfolio of around 160 million. The 17.5 million euro Catalyst Fund providing risk capital made its first investment in June 2013. However, microfinance initiatives have so far been more successful than other financial instruments. Experience has also highlighted the negative impact of the reimbursement model on investment, which resulted in approved investment projects not proceeding.

120. In terms of **territoriality**, financial services are in general less accessible to rural businesses and to the agricultural sector. Although the Romanian banking system has developed rapidly in recent years and the banks have shown greater openness to finance SMEs and agri-food sector, most EAFRD beneficiaries are assessed as high risk and, consequently, their access to loans for co-financing projects and supporting cash-flow for implementation is difficult. Moreover, the use of land and other farm assets as bank guarantees has been deeply affected by the volatility of values accompanying the crisis.

121. Take-up in 2007-2013 of guarantee schemes supported under EAFRD designed as non-State Aid schemes has been disappointing compared to subsidised loan schemes used under SAPARD, during the pre-accession period. These guarantee schemes have not overcome the barrier of accessibility to funding due to the last years' economic situation influencing lending policies of financial institutions. Among the vulnerabilities associated by lenders to the rural area we mention the average area of agricultural exploitation under the level of economic viability, low profit margin when investing in smaller businesses, doubled by insufficient information on rural economy. An additional burden affecting beneficiaries relates to the cost of the schemes.

122. As a consequence, the amount allocated to the guarantee schemes was in 2013 reduced by approx. 50% (from 220 million public contribution to 116 million euro). Appropriate design of instruments, balancing State Aid, ease of implementation, bank and beneficiary requirements and their availability from outset of new programmes is, therefore, a key to their success. The ex-ante assessment required before implementation should identify the types of financial instrument needed to cover the market gaps, optimize allocation and maximize results. However, success depends also on the quality of proposals from entrepreneurs and their understanding of the conditions and obligations associated with external finance.

### **Access to support**

123. A further lesson from 2007-2013 relates to provision of information and other support business. In this area fragmentation and the complexity of processes has also been a disincentive to take-up, resulting in reduced effectiveness. These issues will be addressed through a clear demarcation of actions between the Competitiveness and Regional Operational Programmes in 2014-2020. Thus, Competitiveness OP will finance only research and/or innovation for public and private entities, including SMEs, while ROP will finance all activities of the SMEs related to business development.

124. As regards the actions to consolidate the SMEs support, the intention is to enhance the use of ESI Funds by a territorial dimension, rural and urban, covering the life-cycle of the company, from creation to development of businesses, in synergy between funds and operational programmes. Each operational programme will comprise details as regard

the financing criteria in order to ensure the achievement of the OPs objectives, by acting in complementarity manner and avoid the double-financing of actions.

125. A mechanism will be put in place for a real support to business development both in terms of providing accurate and updated information on funding opportunities from various funding sources (union instruments, national programmes) but also as regard the direct assistance in developing the project ideas (e.g. advise, counselling support). The administrative structure to provide these services will be set up after the analysis and assessment of the tasks and capabilities in the current framework.

126. The delivery of support to SMEs will be also facilitated through an electronic platform as a guide about the funding opportunities, general rules during implementation) and through interoperability with a range of databases may simplify the access of the SMEs to some e-government services.

### **Limited capacity to absorb support**

127. Romania's business base is skewed towards small-scale enterprises, low value-adding activities and sectors where public investment would be largely displacing (e.g. retailing or close to retailing). Accordingly, the target market for business support - businesses in medium-high value adding productive and service sectors with both an orientation and capacity for growth - represents a small proportion of the overall business base.

### **Constrained availability of skills**

128. Businesses in Romania seeking to grow face considerable competition for skilled personnel, including for entrepreneurial skills. Skills gaps exist in all regions and are not confined to sectors that have experienced recent growth in employment (*See: CEDEFOP Survey 2011*). Analysis by occupational group reveals the highest vacancy rates for skilled workers and related workers (3%), plant and machine operators and assemblers of machinery and equipment (2.5%) and skilled workers in agriculture and fishing (1.8%). Recruitment difficulties were encountered particularly in occupations requiring TVET qualifications.

129. The supply of skills is partly conditioned by the traditional requirements of Romanian industry with its focus in labour intensive and low value adding activities. In manufacturing the share of highly qualified labour is about half of the EU 27 average. Nevertheless, the gradual increase since 2006 in the share of highly-skilled labour force is indicative of the shift to a more knowledge based economy and an increase in medium and highly-qualified jobs at the expense of low-skilled.

130. Availability of high level skills has been adversely affected by the large scale emigration of skilled workforce in the past decade, a phenomenon that has also been reflected in the ageing of the workforce. Moreover, skills availability is also affected by the proportion of enterprises providing vocational training to their employees which is below the EU average (40% vs. 58%). Romanian micro firms are even less inclined than their peers in other EU countries to ensure that their employees participate in lifelong learning activities.

## ICTs and competitiveness

131. In addition to its potential as growth driving sector, ICT play an important role in improving business efficiency and extending market reach. The social impact of ICT has also become significant. ICT development is a key area to improve the business environment competitiveness, to increase public sector efficiency and to reduce bureaucracy.

132. Improving internet access, stimulating computer use and developing digital marketplace in Romania will require that consumer confidence to be built in an increased security of personal data and financial transactions and, also the consolidation of consumer rights regarding online purchase of goods and services. Measures to enhance security are envisaged in order to increase competitiveness through e-commerce and to contribute to the achievement of the Romanian assumed targets (see DataFile.docx Table12).

133. This needs to be complemented by development of the regulatory framework on cross-border e-commerce, online payment and delivery and will be supported by a framework dedicated to easy resolution of the abuses and disputes specific to e-commerce.

134. The Strategy for e-Government in Romania, as outlined in the National Strategy Digital Agenda for Romania, is focused on the services that provide elements in the Life Events and bring them on the 4th level of sophistication. Prioritizing the government services pertaining to the Life Events will bring a significant improvement in the way the citizens and enterprises perceive the public administration, and the refining of those services will alleviate much of burden that arise from the interaction of citizens/enterprises with public bodies. Also, this approach can ensure synergy with other e-Government strategies in Romania.

135. Planned interventions related to e-Government will be not only correlated, but also complementary to results achieved within public administration reform strategy.

136. The overall scope is to create a modern public administration, to become more proactive, to increase internal efficiency, to achieve a greater transparency, to reduce the operational expenses, to interact with citizens and to develop new sources of growth.

137. In order to achieve the national targets (by 2020, 35% of citizens using e-Government and 20% of citizens returning forms – see ICT Infrastructure under Infrastructure Challenge compared to 2013 when 5% of citizens using e-Government and 2% of citizens returning forms – see DataFile.docx Table 12), Romania needs to concentrate on 3 key aspects of the governing act from a technological perspective, namely:

- **Romania needs to provide better public services through the use of e-Government 2.0.** While there have been taken many major steps in Romania in the past years (from access perspective as well as implementing major information systems), the majority of initiatives faced challenges in terms of adoption, quality, legislation and uniformity. Concentrating on new or improved

public services, but with a coherent model in place for ensuring greater impact in the social-economic context, together with restructuring the rationale behind providing those public services, will lead to beneficial results in every layer of the society.

- **Public entities need to increase the adoption of e-Government Services.** This objective could be achieved through the consolidation of the institutional support and oversight, the promotion of the cooperation and collaboration with public and private entities, the implementation of the feedback and evaluation mechanism, the implementation of the rules of standardisation at national level, the implementation of the e-identity mechanism, the implementation of the web portals, etc.
- **Public entities need to optimize the use of technology for effective government operations.** The actions will be focused on e-procurement, on the implementation of a decommissioning model and on the improvement of Governance of computerized public services implementation.

138. Developing cooperation between the public and private sectors in order to ensure cyber security represents a priority for action at the national level, given that cyberspace include cyber infrastructure owned and managed by both the State and private entities.

139. The governmental cloud has a double role; first refers to the relation of the government with citizens/enterprises in the e-Government context and secondly is related to determining a technical work frame in order to ensure the interoperability of governmental organizations. The concept of governmental cloud approaches both issues, combining a particular concept of a hybrid cloud with an area of public cloud for citizens and an area of private cloud for interoperability.

140. In order to facilitate public access and transparency of governmental processes, all the existent public data will be collected in a centralised database, which will be placed under a system of permanent supervision, as envisaged by the relevant norms related to open data. Once the central management system of open data becomes functional, the authorities will be drivers and facilitators of innovative use of open data by the general public.

141. The institutions will ensure that at least one quarter of data sets published on the centralised open data platform will be of high informational value and relevance.

142. The business sector trust in electronic systems is one of the most important barriers for the development of e-Government. In the context of socio-economic analysis performed by MIS for the national strategy, it was identified that in Romania the users rarely update the anti-virus software or make copies (back-up) of data (rate of users in Romania which secures their computers varies between 62% and 68%, compared to the EU 27, which is 87%). Furthermore, the level of the digital knowledge is very low, which limits the entrepreneurs' appetite for e-business solutions.

143. E-Government is the trigger for public administration reform in the sense that ICT system implementation needs initial assessment of the existing administrative processes, an optimal management of existent platforms, and databases, thus ensuring institutional



interoperability and transparency in the relationship with the citizens and business environment.

144.However, to significantly improve the efficiency and flexibility of e-government environment, action will be needed to:

- improve the interoperability of electronic systems;
- introduce governmental cloud computing, use of open data, and big data
- rationalise and consolidate government ICT and e-Government systems which have hitherto developed in a fragmented fashion.

145.Investments in the field of ICT will proceed under the umbrella of the National Strategy for Digital Agenda for Romania – the strategic policy framework for digital growth.

146.In order to reach the above goal, MIS will be beneficiary of technical assistance to prepare the development of e-Government and all the interventions will be developed under MIS technical coordination.

### **Main development needs**

147.In response to the foregoing analysis, investment in 2014-2020 will be prioritised within the framework of the National Competitiveness Strategy, the National RDI Strategy, the National Agricultural Strategy (*currently under preparation by the World Bank*) and the Regional Development Plans, and informed by the principles of smart specialisation.

148.These conclude that the clearest potential for growth resides in Romania's internationally competitive sectors: in particular automotives; ICT products and services; food and drink processing. However, these sectors account for a limited proportion of total employment and their growth potential is insufficient to overcome Romania's vast employment gap in the medium term.

149.Reflecting their overall influence on employment, stimulating growth and sustaining existing activity in sectors that have notable potential for growth and increased added-value - health/pharmaceuticals; tourism; textiles/leather; wood/furniture; creative industries; energy/environmental management and agriculture, forestry and fishing - will also be important to Romania's medium term development.

150.For a sustainable increase of national competitiveness, it is necessary for investments in these sectors to be given priority at national level and to receive most support from ESI Funds. At the same time, Regional Development Plans can identify, at local level, other sectors with growth potential that may be a secondary focus for investment.

151.As regards the primary sector investments in restructuring farms and compliance with EU standards, renewal of the aged structure in agriculture, fostering access to the market of agricultural products, improving the agriculture and forestry infrastructure and increasing the added-value of agricultural products through processing infrastructure, are issues that need to be addressed.

152. Subject to the outcome of the ex-ante assessment, adequate financial instruments for farmers and for stimulating the rural business environment will need to be established. This would allow a more competitive purchase of quality inputs, a better orientation of farms toward market demands, including short supply food chains, the diversification of basic product and the improvement of general viability. Credits and guarantee funds are important especially when agricultural and other micro and small enterprises need co-financing for rural development projects and for other types of investment projects. Risk management tools for farmers are needed to help them better manage the economic impact of adverse climatic events.

153. Analysis by sector and region highlights where regions enjoy comparative advantage, depending on natural resource and other factor endowments, relative accessibility to markets and supply chains in Western Europe, etc. Future investments will seek to consolidate the resulting local and regional specialisation, in order to ensure efficient use of regional development resources including by promotion of clusters (including maritime clusters in line with the identified potentials of the Blue-Growth Sectors in Romania).

154. Regional comparative advantages are identified in relation to:

- higher technology industrial sectors - chemistry and oil processing industry (South region) and automotive industry (South, South-West, West and Centre regions), energy (South-West, West and South-East regions);
- lower technology industrial sectors - textile and clothing industry (North-East, South-East and Centre regions), leather and footwear industry (North-West region) and wood processing and furniture industry (North-East, North-West and Centre regions);
- high value-added service sectors - ICTs (Bucharest-Ilfov, West and North-West regions), financial and insurance activities (highly concentrated in Bucharest-Ilfov region, reflecting the major importance of the capital city for the entire Romanian economy);
- untapped potential for tourism, as a driver for local development, will be tackled, in a tailored basis, consistently with the analysis entailed in the regional development plans.

155. Agriculture and food are identified as important in all regions, but with relatively less contribution in Bucharest-Ilfov, Centre and North-West.

156. In pursuing local growth, the Regional Development funds will take into account both national sectoral priorities and regional strengths. In particular, the policies and instruments with an effect on the maritime economy, unlocking the potential of the blue economy and generating sustainable growth and new jobs in maritime sectors, need to be supported, including by territorial cooperation.

157. In addition to their potential as a growth sector, the horizontal application of ICTs in business and in government will be an increasingly important factor in Romania's competitiveness. In this regard, government will play a key role in ensuring the required ICT infrastructure is delivered; in ensuring the digital environment is effectively

regulated so that businesses and citizens are confident in using it; in ensuring that businesses and citizens can interact electronically with government in an efficient and effective manner.

158. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See: file SWOT Analysis.docx*), **the main development needs** are:

- The continued expansion and growth, including in international market, of Romania's competitive manufacturing and high value added services sectors, in particular automotives; ICT products and services; food and drink processing;
- The transformation of Romania's traditional sectors, health/pharmaceuticals; tourism; textiles/leather; wood/furniture; creative industries; energy/environmental management and agriculture, forestry and fishing, where there is potential to grow, to increase added value or to sustain activity in the medium term through the exploitation of specialist niches or to increase competitiveness through innovation and market development;
- The restructuring, consolidation and on farm diversification in order to improve competitiveness and viability of agricultural holdings; renewal of the aged structure in farming and the adoption of modern and innovative production and marketing practices;
- Attracting young people with the appropriate training in the agricultural sector;
- Increasing the value added generated by the agri-food sector;
- The improvement to the competitiveness and entrepreneurship in the fisheries and aquaculture.
- The radical improvement of the business environment in terms of the availability of investment finance, the transparency and predictability of policy, the proportionality of administration and regulation, including through improvement in government use of ICTs;
- The attraction of investment into Romania's less developed regions through an integrated approach spanning infrastructure, sites, skills, and investment support;
- Strengthening the digital business environment;
- The need to focus on creation of employment and growth by the blue economy.

159. Concerning 2014 EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme, the main development need 2 is related to the 2014 CSR no 3 on stepping up reforms in the health sector to increase its efficiency and quality.

### **Research, development and innovation (RDI) activity in support of competitiveness**

#### **General**

160. Science, technology and innovative behaviour are transforming forces for businesses, individual and society which facilitate:

- enhancement of the added-value in products and services, thus supporting higher returns to businesses and skills;
- the achievement and retention of competitiveness in an increasingly globalised marketplace;
- approaches to many of the big challenges confronting society.

161.The Europe 2020 Strategy aims to foster smart growth by supporting sustained investment in innovation. In 2012, Romania invested only 0.49% of GDP in R&D, with more than 80% accounted for by the Romanian public sector. A step change in behaviour is needed to achieve the national **Europe 2020 target** of 2% of GDP by 2020 (*See: Commission Services Position Paper, October 2012, p7; European Council Recommendations on Romania's National Reform Programme, June 2013, p8*).

162.Some studies point to a relatively high level of innovation in Romanian businesses nevertheless (*See: For example, DG ENTR, 2011, SME Access to Finance Survey*), and suggest a need to look beyond formal R&D expenditure in order to fully comprehend the situation. (*See: Country specific recommendation, Objective 2020 and Romania assumed targets in DataFile.docx - Table 8*).

163.In terms of **territoriality**, Business (36%) and Government (41%) expenditure and employment in R&D are highly concentrated in Bucharest Ilfov; only R&D expenditure and employment in Higher Education Institutions (22%) is more dispersed.

#### **Low level and slow growth in private sector investment in R&D**

164.In 2011, Romania's Business Sector invested only 825 million lei in R&D, 17.1% of the total. Growth in private sector R&D between 2007 and 2011 was only 11.8%, just over a third of the growth rate for all R&D expenditure (*Source: National Institute for Statistics*). This pattern is attributable to structural and other factors.

165.The innovation potential in business is closely linked to Romania's economic structure (*Source: INS and Study The role of private sector in the development of competition in R & D and innovation system*):

- large companies account for just 0.4% of all companies but they contribute 47.3% of GVA attributable to companies; 56.4% of large companies are assessed as innovation active;
- medium sized companies account for 1.9% of companies and generate 20.5% GVA in companies; 38.7% of medium sized companies are assessed as innovation active;
- small companies represent 10.6% of the total and 17.8% of GVA in companies; 27.5% of small companies are assessed as innovation active;
- micro companies amount to 87.1% of the total and 14.4% GVA in companies, only a small fraction are believed to have capacity or orientation towards innovation.

166. At present, investment in R&D is extremely concentrated in high and medium technology companies which represent a small proportion of the total (*See: The turnover of high and medium-tech companies was 30% of the total industry turnover in 2011, increasing from 24% in 2008. Source: "Noi direcții de politică industrială și modificările structurale necesare" - Cojanu et al, 2012*). The large proportion involved in low or medium-low technology activities generate a low demand for innovation support.

167. The share of high and medium technology industries in gross value added generated by all companies in industrial sector increased from 20.8% in 2008 to 25.9% in 2011, which shows a better resistance to the effects of the crisis and sustainability. The activity of high-tech and medium companies was, naturally, supported by a significant investment in research, development and innovation, these companies concentrating 84% of all industrial R&D expenditure in 2011. Innovation potential also reflects the focus of activity. As discussed above, Romania's company base is skewed towards low value-adding activities. Almost half of the total is in retailing or close-to-retailing activities.

168. However, beyond the structural factors which suggest that a very modest proportion of the business base represents a realistic target for innovation support, additional factors have been identified as constraining private investment in research and innovation (*See: "Evaluarea Intermediară a Strategiei Naționale și a Planului Național CD & I 2007-13" - Technopolis Group, 2012; "Noi direcții de politică industrială și modificările structurale necesare" - Cojanu et al, 2012; "Rolul sectorului privat în dezvoltarea competiției în sistemul cercetării-dezvoltării și inovării", 2012*):

- the negative impacts of the international economic crisis which have increased risk aversion, reduced liquidity and had a significant effect on SME access to finance, including to fund R&D (*Note: The overall number of innovators in 2010 decreased by almost 40% relative to 2006. Process innovators, which represent the majority of innovators, registered the worst decline - almost 50%. The number of companies that introduced new or significantly improved products declined by almost a third compared to 2008*);
- lack of venture capital generally, but more specifically an absence of venture capital funds dedicated to R&D driven technological innovation;
- disruption in national public support to RDI activities since 2009 (National Programme calls become irregular and the calls' budgets decreased sharply);
- the complexity of rules concerning access and implementation of publicly supported RDI projects;
- decrease in the number of R&D employees in the private sector;
- many of the foreign-owned companies (including former state companies) do not include research activities within their operations in Romania;
- weak connections between academia and Romanian private sector R&D, and the poor practical applicability of the research results generated by the public sector;
- high costs of patent registration at European level. Romanian institutions are determined to patent at national level.

169. In spite that a diverse offer of financial support for RDI in the period 2007-2013 was quite diverse, demand from enterprises was not particularly high. Access to financial instruments (loans, guarantees, risk-capital) was limited in this period and the SMEs, especially, found it very difficult to ensure a robust cash-flow necessary for their projects.

### **Limited alignment between private R&D and sectors with growth potential**

170. In 2011, businesses' R&D expenditures were concentrated in the automotive (22%), chemicals (10%), ICT (10%) and electrical equipment (7%) sectors. Private R&D institutions have also a large share of businesses' expenditure for R&D (22%). Some large sectors are associated with very small R&D expenditure. Trade, which accounts for almost half of all businesses, contributes only 2% to R&D expenditures, while agriculture, which accounts for 30% of employment, contributes with less than 1%, reflecting the specificities of the Romanian farm structure. Analysis of the public demand for R&D funds shows that ICT is active in seeking public funding, whereas automotive and chemical R&D is based mainly on private funding.

171. The pattern of private R&D expenditure is only partially correlated with sectors targeted under the National Competitiveness Strategy and National RDI Strategy (*The priority economic sectors identified by the Competitiveness Strategy and the thematic priorities for public RDI investment as identified by the National RDI Strategy have as a common basis the study "Analysis and Evidence Base of the RDI Market in Romania" which provides a national view and an analysis of the regional context and potential for innovation in the economy (on one side) and discusses the RDI demand versus the strengths of the RDI offer (on the other side) in order to understand the linkage and correlation between RDI and business performance within the innovation system, in the context of establishing a smart specialisation focus*).

172. Based on the analysis of the RDI market in Romania and according to the methodological guidelines specified in the European "Guide for Research and Innovation Strategies based on Smart Specialisation" (RIS3), the National RDI Strategy identifies the thematic priorities for the public RDI investments by using three criteria: (i) the opportunity, in terms of the future dynamics of the field; (ii) the possible contribution the R&I for benefiting the opportunity; (iii) the estimated economic impact, in terms of absorption and commercialisation of R&I results. Thus, the following thematic priorities for the period 2014-2020 were selected:

- bio-economy (agriculture and forestry, fisheries and aquaculture, food, biotechnologies and bio-pharmaceutics);
- ICT, space and security;
- Energy, environment and climate changes;
- eco-nano-technologies and advanced materials;
- health.

173. Health is a domain with critical impact on public resources and the quality of life. In this domain research and experimental development bring a key contribution to the economic impact of health in the society through new medical discoveries, new cures for

existing maladies, new technologies transferred to the clinical practice. A multi-centric study (The Effect of Population Health on Foreign Direct Investment Inflows to Low and Middle Income Countries, available on [www.elsevier.com](http://www.elsevier.com)) investigates the effect of population health on gross inflows of foreign direct investment (FDI) in 74 industrialized and developing countries (one of them been Romania). The main finding is that gross inflows of FDI are strongly and positively influenced by population health in low- and middle-income countries. The study estimates that raising life expectancy by one year increases gross FDI inflows by 9%, after controlling for other relevant variables. These findings are consistent with the view that health is an integral component of human capital for developing countries that raises worker productivity and spurs economic growth.

174. As regard the development of low-carbon energy technologies the objectives of SET Plan will be taken in due account.

175. For sustainable investments and innovative interdisciplinary solutions, beyond the RDI traditional disciplinary demarcation, the smart specialization areas are linked to economic dynamic, competitive and relevant sectors (See DataFile\_Annex Ro\_PA, Table 23 and Table 24).

176. The most important Romanian R&D infrastructure, ELI-NP, its first phase financed under 2007-2013 period, is expected to bring significant advances in basic sciences – laser and nuclear physics, astrophysics – as well as important breakthroughs in applications of major societal interests in material and life sciences. To promote the commercial exploitation of ELI-NP findings and facilities, an open innovation association of research and business entities has been formed. The existence of ELI-NP will have stimulating effects on high tech industries, offering exciting opportunities for companies to perform frontier research as well as fostering the research to the benefit of innovative companies, having direct and indirect effects on the economic environment at local and regional scales.

### **Fragmented public R&D poorly linked with business**

177. Romania has an extensive public R&D infrastructure comprising 54 universities, 46 National Research and Development Institutes, the Romanian Academy with 66 Institutes and Research Centres, the Academy of Agricultural and Forestry Sciences with 17 Institutes, Research Centres and a network of field research units. In terms of **territoriality**, although represented in all regions, there is particular concentration in Bucharest, followed by Iasi and Cluj. However, the Romanian R&D and academic environments have been found to be characterized by fragmentation, inconsistent quality, excessive standardization, inefficient use of resources and the absence of strategy for developing research-intensive institutions (See: *Commission Services Position Paper, October 2012, p7; National Reform Programme 2011-13 Progress Report, March 2013, p12*).

178. The allocation of public funds for RDI is adversely affected by fragmentation of the institutional research environment. In Romania there are more than 250 R&D public entities operating across a very high number of scientific fields. Many of these institutions are subject to inadequate assessment and monitoring arrangements. Accordingly, public resources are spent in an unfocused manner with the result that the

innovation support needs of some sectors with growth potential are not adequately covered.

179.As a result of the Government Decision no. 96/2012, all public R&D units were placed under the responsibility of the Ministry of National Education. This measure aims to ensure a single and homogeneous coordination at the level of the R&D public system and to concentrate the thematic areas of common research competencies of the various public institutions.

180.Private agricultural research has a low share in the national agricultural research. A particularity of agricultural research in Romania is the fact that research itself is associated with development and innovation activity, as well as with a commercial activity on the market of seeds, viticulture, forestry, animal husbandry and fishery genetic material.

181.The R&D institutes are under assessment and classification according to their R&D activity performance (*Note: In line with Government Decision no. 1062/2011*). The main evaluation criteria are the quality of research results, the quality of human resources, the quality of the infrastructure and its level of exploitation, managerial efficiency and the quality of the institutional development plan. The investment of ESI Funds in R&D public infrastructure will be prioritized on the basis of this evaluation and the quality certificates issued.

182.Analysis of publications and patent applications reveals that Romanian public R&D institutions possess particular strengths in the fields of:

- Materials technologies, including nanotechnologies;
- Engineering, including aeronautics and automotives;
- Information and Communications technologies;
- Environmental science and technology;
- Medicine/health;
- Agriculture.

183.This analysis is consistent with the strengths of Romanian research in the European context. The FP7 ‘Cooperation’ areas where Romanian participation has been strong (on the basis of funds attracted) were: ICT; Transport (including Aeronautics); Nanosciences, Nanotechnologies, Materials and New production technologies; Environment; Health; Food, Agriculture and Fisheries, and Biotechnology. These strengths are well aligned with the sectors that are demonstrating growth and export potential under the competitiveness strategy (e.g. automotives, ICTs, food), with second tier opportunities where innovation could extend the life of mature product lines and support related diversification (e.g. wood and textiles) and with major societal challenges confronting Romania (notably climate change adaptation and environmental remediation).

184.However, while much of the research undertaken in Romania is impressive, it is largely driven by academic curiosity rather than commercial considerations. Connections between education, research and the business sector remain weak (*Source: Quality*



*Barometer, 2010, The Quality of Higher Education in Romania.* with the result that few ideas are transferred and commercialised (See: *Commission Services Position Paper, October 2012, p7*). Such collaborative activity as exists tends to be between R&D institutions and large companies. There is limited participation by SMEs, although this to some degree reflects the relatively small scale and sectorial structure of the SME base. The public research institutions have not developed special management and personal capacity dedicated to better commercialisation of research results, better management of IPR, stronger dialogue with enterprises in support of their needs.

### **Weak systems for protecting and sharing intellectual property**

185.Linkage between business and the Romanian research base is further impeded by the framework of ownership and sharing of intellectual property (See: *Commission Services Position Paper, October 2012, p7*) arising from research. The present low level of patent registration and the fact that more than half of applications are filed by individuals rather than businesses, universities and research institutes has militated against the development of systems of IPR protection needed in an open innovation environment. With a low level of use, the technology transfer and commercialization channels, including IPR advisory assistance are very weak. Moreover, filing and maintenance costs of patents at international level are prohibitive for individual researchers lacking corporate backing.

186.A draft Law regarding employees' inventions, approved by the Government, is presently before the Parliament and is intended to clarify income sharing rights from commercialized IP among innovating employees, their employers and collaborating research institutions. This will incentivize innovative behaviour among these groups and should enable public support for IPR protection to be much more efficient. Also, a proposal to amend IPR legislation (the Law no. 84/1998 is under preparation in order to clarify some aspects resulting from the implementation of the Law.

### **Shortage of research skills**

187.The research skills base in Romania has expanded substantially since 1993, particularly in the higher education sector. However, uncompetitive wages and research facilities have seen talent haemorrhage from public sector research in recent years, with many young researchers migrating abroad. Among the EU countries Romania has the lowest share of R&D personnel as a percentage of all persons employed (0.4% in 2010), which is about a quarter of the EU average. In terms of **territoriality**, only Bucharest-Ilfov is close to the EU average of 1.7%.

188.In 2011 only 25.8% of the economically active population in the age group 25-64 had either successfully completed tertiary education in science and technology or was employed in an occupation where such an education is normally required, in comparison to the EU27 average of 42.3%. In terms of territoriality, there are significant regional variances with Bucharest-Ilfov (46.7%) exceeding the EU27 average, and the remaining regions varying from 17.7% in Nord East to 25.1% in West.

### **Lessons Learned**

189. There are at present few evaluation results available that provide insight into the relative effectiveness of specific intervention types. However, important lessons have been learned in the 2007-2013 period, including in relation to:

- the gross deficiency of demand in Romania's developing regions which impedes the development of enterprise and market economy;
- the financial instruments less adapted to the needs of SMEs and to the rules of state aid/de minimis;
- fragmentation of business support between the Competitiveness and Regional Operational Programmes which has impeded effectiveness;
- the fragmentation of the research environment and the inadequacy of its connection with the needs of business growth and societal challenges.
- the absence of the financial instruments tailored to the needs of R&D sector and its connection with the productive sector/technologic transfer;
- the importance of the simplified rules regarding access and implementation of projects.

### **Main development needs**

190. In response to the foregoing analysis, investment in 2014-2020 will be prioritized in the framework of Romania's National Competitiveness Strategy, the National RDI Strategy and the National Agricultural Strategy and the principles of smart specialization, and will emphasize support leading to the commercial application of RDI activities. A complementary fiscal environment will provide incentives for companies, including multinationals, to locate their research activities in Romania. A tax deduction of 120% of R&D expenses for undertakings where R&D activities accounting for at least 15% of their total yearly expenditure was introduced in 2010 and has been upgraded to 150% in 2013.

191. Investment of ESI Funds in institutions will be prioritized on the basis of the findings of the national assessment of R&D institutions as follows:

- strong institutions/well linked to prioritized sectors - main focus of support;
- less strong but capable of improvement/well linked to prioritized sectors - secondary priority for support;
- weak institutions/not linked to prioritized sectors - not a priority for support.

192. For the agriculture sector, knowledge transfer, innovation support and research that is well correlated to the practical needs of farmers will be important for increasing farm competitiveness and performance. In order to facilitate the introduction of new technologies, a focusing of research units on practical applications at farm level in the context of partnership agreements for innovation will be essential.

193. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See: file SWOT Analysis.docx*), **the main development needs are:**

- The creation of a more compact and modern R&D environment that is focused on business's needs, societal challenges and technologies where Romania has world class potential, informed by the principles of smart specialisation and in order to increase the commercialisation and internalisation of research;
- The promotion of an enterprise and innovation culture throughout the education system and in business networked with all necessary forms of support, financial, managerial, technical, creative, in order to realise the latent potential in Romania's people and its businesses;
- Adapting research activities to the needs of farmers and facilitating their access to research, innovation results and quality advisory services.

## **ANALYSIS OF DISPARITIES AND IDENTIFICATION OF THE MAIN DEVELOPMENT NEEDS FOR THE PEOPLE AND SOCIETY CHALLENGE**

### **Employment and labour mobility**

#### **General**

194. Romania is confronted with a complex of issues related to the labour market. Among these, the main one is the gross deficiency in demand which is reflected in a low domestically employment rate (*See: Commission Services Position Paper, October 2012, p6; National Reform Programme 2011-13 Progress Report, March 2013, p10; European Council Recommendations on Romania's National Reform Programme, June 2013, p 6*) and in massive migration to take advantage of better opportunities internationally.

195. This creates a very poor platform for progressive labour market policy. In such a situation of very low demand:

- employees are forced to accept low levels of remuneration and poor terms and conditions of employment;
- employers hire the most skilled and adaptable workers as needed; there is little investment by employers in skills development;
- there is low internal/national job mobility;
- people in employment hold onto positions and it is difficult to break into the market;
- there is reduced scope for improving the position of people who are disadvantaged in the labour market - young people with no prior experience, older workers, people with disabilities, Roma and people from rural areas.

196. Against this background, to be effective, *Romania's National Employment Strategy* must be coordinated with other sectorial policies. The successful implementation of the strategy depends upon progress under the *Competitiveness Challenge* in generating increased demand for labour and must work alongside education vocational training and social inclusion policies.

197. Progress under the *Infrastructure and Resources Challenges* may also help in promoting labour market demand in the target areas, as well as creating the prerequisites

for economic growth. Other factors, such as a more favourable fiscal policy, could also help in achieving the set targets for employment, by bringing some of the informal economy to light.

198. The importance of a high level of labour market participation and employment to sustainable development is reflected in the Europe 2020 objective of a 75% employment rate by 2020. As part of its NRP, Romania has assumed as a national target a 70% employment rate (age group 20 – 64) by 2020. This transformation will require a net increase in demand for labour of at least 10% and a considerable improvement of the position of young people and older workers in the Romanian labour market. (See: *Country specific recommendation, Objective 2020 and Romania assumed targets in DataFile.docx - Table 9*)

### **A gross deficiency in demand for labour**

199. Romania has a significantly lower employment rate (63.8% for age 20-64 in 2012) compared with the average for the EU27 (68.5%), (See: *National Reform Programme 2011-13 Progress Report, March 2013, p10; European Council Recommendations on Romania's National Reform Programme, June 2013, p 6*). The informal economy has been estimated as representing as much as 28.4% of GDP in 2013 (See:- *European Commission, Tax reforms in EU Member States 2013 Report, Table 4.7, p.78*) much in the form of undeclared and informal work or under-reporting of earnings by people identified as in employment (See: *Schneider, 2012*). As a result of the crisis, the employment rate decreased by 1.6% during 2008 to 2012.

200. Unemployment remained relatively low during the recession, rising from 5.8% in 2008 to 7.4% in 2011 before easing to 7.0% in 2012, some 2.5 percentage points below the EU average. However, this reflects a tendency of long term unemployed people to migrate off the unemployment register into inactivity once the Government unemployment support finishes. Some 30% of the population in the 20-64 age range is economically inactive.

201. Both the unemployment and inactivity rates need to be considered in the context of the quality of employment in Romania. Just under half of the 8.3 million jobs in the economy are salaried. Of the remaining:

- 1.4 million (17%) are unremunerated family members - a category that is virtually non-existent in the more developed Member States;
- 2.1 million (25%) are self-employed - this is a very high level of self-employment relative to more developed Member States and is more associated with subsistence agriculture and lack of alternatives than innate enterprise culture.

202. This situation is even more pronounced in rural areas where self-employed and unremunerated family members accounted for 42.6% of total employed population in 2012. Therefore, the support for non-agricultural activities will lead to economic growth in rural areas and increase of population employed in secondary and tertiary sectors.

203. All together, these phenomena are indicating a ***gross shortage of employment opportunities*** in the Romanian economy. This has clear implications for feasibility of

achieving Romania's 70% employment rate target and of prosecuting progressive employment policies without an expansion of employment in Romania's less developed regions.

204. There is a strong ***territorial character*** to the distribution of employment which follows the pattern of sectoral activity revealed under the *Competitiveness Challenge* above. Disparities in the employment rate in Romania's regions have a range of 11.5 % between the region with the highest employment rate (North-East: 64.9% in 2012) and that with the lowest employment rate (Centre: 53.4% in 2012).

205. Important disparities were registered also between unemployment rates in 2012 among Romania's regions, with a range of 5.9% between the region with the highest unemployment rate (South-East: 10.2%) and the one with the lowest (North-East: 4.3%). However, it should be noted that regions with higher unemployment rates were often those with more dynamic labour markets and those with the lower unemployment rates dominated by the “unsalaried” as identified above (i.e. North East region). The level of employment and the unemployment rates do not correlate with the disparity and poverty in the regions (*Note: Further detailed under section 3.1.5 “Geographical areas most affected by poverty”*).

206. The reduction in the employment rate during the recession was concentrated in rural areas, while urban employment continued to grow.

207. An analysis on the employment trend, during 2005-2012, shows decreases for the 20 to 64 years old rural population (with 1.2%, reaching 65.7% in 2012) and, in particular, for the primary and secondary economic activity sectors (with 2.6% in agriculture and 4.4% in industry and constructions), but also an increase by 14.5% in the tertiary sector (services) employment. Therefore, the discrepancy between Romania and the EU27 average is still too high, requiring the engagement of Romania population in other sectors of the economy, than in agriculture, given that 30.5% of population was employed in agriculture in 2012 compared to the EU27 average which recorded 5.2% in the same year.

208. As regards population employed in the Romanian food industry, in 2011 it represented 2.1% (Eurostat) of the total employed population, this percentage being 34% below the new EU member states (EU12) average of 2.8%. The ratio between population employed in agriculture and the one employed in food industry is 12:1 (the highest in Europe), as compared to the EU-12 average of 5:1.

209. As already stated in the competitiveness section, the increase of the competitiveness of the agricultural sector will lead also to significant loss of jobs making a high requirement for absorption of labour especially among the young and others from subsistence farms.

210. Certain fisheries and coastal areas have high unemployment rates, for example, Teleorman County (10.04%, in 2012) and Galați (9.14%). However, for the most part, unemployment in fisheries and coastal areas is not distinctively high.

### **A lack of enterprise culture**

211. Entrepreneurship - in the sense of motivation for establishing and growing a business as distinct from self-employment - has important benefits, both economically and socially. It creates employment and wealth while contributing to personal fulfilment and the achievement of social objectives. In Romania, entrepreneurship is still weak and in rural areas is almost non-existent. In recent research (*Source: Flash Eurobarometer 354, 2012, Entrepreneurship in the EU and beyond*), 74% of Romanian respondents would prefer to open a business, compared to 8% who would like to be employed. Only 25% of respondents had initiated the process of starting a business, the low percentage being explained by a number of barriers, of which the most important are: difficulty of accessing finance (93%) and fear of going bankrupt (56%). According to the study, about a quarter of Romanian businesses have disbanded after three years.

### **Young people face barriers in breaking into the workforce**

212. Significant discrepancies between Romania and EU 27 are registered in the employment rate among young people (aged 15-24). In 2012, the average employment rate in Romania was 9% lower than the EU average (23.9% in Romania against 32.9% in EU 27); for young women, the gap was 10.7%.

213. Moreover, in 2012, the share of young people not in employment, education, or training (NEETs) (*See: Commission Services Position Paper, October 2012, p 6; National Reform Programme 2011-13 Progress Report, March 2013, p10; European Council Recommendations on Romania's National Reform Programme, June 2013, p. 6*) was 3.6% above the EU average (16.8% in Romania, against 13.2% in EU 27) and for young women was 18.6% compared to 13.5% in EU27.

214. Young people are facing difficulties breaking into stable employment, for a variety of reasons:

- competition on the labour market where can be noticed an overall shortage of employment opportunities; established workers hold onto positions;
- the relative lack of work experience which places young people at a disadvantage in competition with other workers. According to recruiters, 59% of employers cannot afford to hire young inexperienced workers;
- the level of education attained. However, those with good results still experience notably lower employment rates than their peers across Europe;
- lack of skills required by employers (this refers to both technical and vocational skills, as well as to "soft" skills - e.g. the ability to organize one's own work and learning process, cognitive skills, communication and organizational skills).

215. The labour market situation of young people has deteriorated during the economic crisis, with the unemployment rate increasing from 18.6% in 2008 to 22.7% in 2012. However, the high pre-recession unemployment rate reveals persistent difficulty of transition for young people to a labour market with a gross deficit in employment opportunities. Reflecting ***territorial disparities***, three regions will be eligible for Youth Employment Initiative, having a youth unemployment rate higher than 25%: Centre (31.7%), South-East (31.3%) and South-Muntenia (30.2%).

216. Thus, 2014-2020 ESI Funds should comprise actions aiming to provide support and guidance for young NEETs, recognition of competences acquired in non-formal and informal context, training for developing skills, including the entrepreneurial ones, grant subsidies for employers in order to create new employment opportunities, apprenticeship and traineeship schemes, financial support for young NEETs to develop their own business and promote internal mobility, including by granting mobility bonuses.

### **Low employment among older workers**

217. Romania's low employment rate is strongly correlated with gender and age (*See: 2013 World Bank Report: Europe 2020 Romania: Evidence based policies for productivity, employment, and skills enhancement*).

218. The employment rate decreases rapidly with age. Skills obsolescence and perceptions of reduced productivity disadvantage older workers in competing on a labour market characterized by a general shortage of employment opportunities. In 2012, the employment rate among those aged 55-64 stood at 41.4%, compared with 63.8% in the 20-64 age range. This is 7.5% lower than the EU27 average for the same year. In terms of major structural changes on the labour market, older workers are considered to be more rigid to market fluctuations, taking into consideration the difficulty of integrating them in the lifelong learning – training and retraining, - and hence the difficulty of integrating them on the labour market.

219. Barriers from the perspective of employers (*See: 2013 World Bank Report: Europe 2020 Romania: Evidence based policies for productivity, employment, and skills enhancement*) are as follows:

- productivity of older workers is lower than that of other age groups;
- are less oriented to new technologies and more difficult to accommodate in new production processes.

220. Another possible problem could be the greatest share of older workers in sectors facing restructuring measures, making them more vulnerable to unemployment perspective.

221. Another apparent cause is the poor legislation on disability retirement limiting the right to work for certain categories of pensioners with disabilities (second-degree of disability) (*Note: For this category, legislation prohibits the right to work as opposed to third-degree disability which allows for 4 hours per day work*).

222. According to 2012 Romanian Statistical Yearbook, in rural areas, employment structure by status in employment revealed the fact that for the age group 55-64 years, only 7.1% of working age population is represented by employees, 11.3% by employers, 21.1% by self-employed and 15.2% by contributing family workers. A high percentage of labour force in agriculture is represented by employed people over 54 years, representing 33.5% of the total (19% for age group 55-64 y.o. and 14.5% for age group 65+ y.o.).

223. In terms of **territoriality**, there are notable regional disparities with 23.8% difference between Bucharest-Ilfov (32.4%) and North-East (56.1%). In part this reflects the relative stability of (self) employment in the agricultural sector/rural areas; salaried employment which is more prevalent in urban areas appears to be more subject to age-related disadvantage.

224. Low employment of older workers is a matter for concern when coupled with extended longevity, raising the prospect of poverty among the elderly and increased pressure on the national system for social protection.

#### **A significant number of long-term unemployed**

225. During the period 2008-2011 there was a common trend of increasing long-term unemployment both in Romania and in the EU27, more pronounced in the EU27. In 2012, the long-term unemployment rate registered in Romania was 3.2%, 1.4 percentage points below the EU27 average. To some extent the relatively low proportion of recorded long-term unemployment reflects the limited period of time for granting unemployment benefits in Romania and a tendency among those whose benefits have terminated to migrate into inactivity. In Romania, long-term unemployment does not seem to be differentiated by gender, but rather by age group.

226. In terms of **territoriality**, in 2011, South-Muntenia and South-East regions recorded the highest number of long-term unemployed people - 64,000 and 62,000 respectively, and the North-West, the fewest, 28,000 people.

#### **Vulnerable groups are grossly disadvantaged in a competitive labour market**

227. Given the general shortfall of jobs in the Romanian labour market, groups facing particular disadvantages struggle to compete (*See: Commission Services Position Paper, October 2012, p. 6*). The overall position of vulnerable groups is examined under *Social Inclusion* below; in this section the focus is limited to assessment of their labour market position.

228. *Roma people* (*See: Commission Services Position Paper, October 2012, p. 6*) occupy a precarious position in the Romanian labour market explained by multiple disadvantages including low literacy, education and skill levels, as well as discrimination on the labour market. In 2011, the Roma employment rate was only 36%, while a further 36% were in search of a job and 28% were inactive (*See: Tarnovschi, 2012, SOP HRD Project*). Involvement in the informal economy is high, however. Only one in ten Roma has had a stable job in the past two years, and 52% declared that they have not found work at all over that period. Most Roma employed are own-account working in unskilled occupations; only 10-15% of them are salaried.

229. Among Roma women, labour market participation is very low, with only 27% being employed and 36% declaring to be in search of a job. From a very young age, many Roma women have childcare responsibilities.

230. *Persons with disabilities*. Approximately 1.4 million Romanian people have limited work capacity (persons with disabilities and persons with invalidity) (*Source: Ministry of*



*Labour, Family, Social Protection and Elderly*). Only 12.7% Romanian persons with disabilities were employed in June 2013, 56% report that they have never worked and the employment rate is particularly low among women with disabilities over 50 years old. This is a notably low level of employment of people with disabilities in European terms and underlines how low demand for labour in the Romanian economy further marginalises the vulnerable.

231.The situation is exacerbated by the education system having failed many people with disabilities, among whom attainment in compulsory education is much below the average for the overall population. Consequently, this group faces a double disadvantage in the labour market.

232.Therefore, 2014-2020 ESI Funds should include both targeted and mainstreaming actions aiming to improve the access to the labour market for job-seekers and inactive, focusing mostly on: long term unemployed, older workers, Roma people, people with disabilities and those from rural areas. Actions will encompass guidance and support, assessment and recognition of competences acquired in non-formal and informal context, training and/or retraining for developing skills, support for employers in order to create new employment opportunities and apprenticeship and traineeship schemes, and support for increasing internal labour mobility etc. Nevertheless, taken into account the employment gender gap in Romania, during implementation of the ESF operations, a special focus will be put on mainstreaming the gender dimension in order to increase the participation of women on the labour market.

#### **A lack of flexibility and mobility of labour** (between different Romanian regions)

233.Analysis of employment by region during 2008 - 2011 highlights significant differences in trends by region, as follow:

- the North-East region recorded the largest increase in employment, some 88,100 jobs, which indicates buoyant economic activity and a weak influence of the economic crisis, followed by the North-West, which experienced an increase of 48,900 jobs;
- South Muntenia region recorded the largest absolute decrease during the same period - a loss of 131,200 jobs, indicating the existence of structural problems that require specific measures.

234.Despite the relative availability of employment in other regions, inactivity levels in the more depressed regions tended to grow. While local and regional development have the objective of increasing employment opportunities in all regions, **part of the solution to Romania's regional unemployment is likely to lie in increasing internal/national mobility of workers to pursue opportunities outside their current area of residence.** However older workers, the less skilled and those with family commitments are in a larger degree subject to barriers that tie them to areas with low opportunities: lack of transferable skills, lack of financial resources, limited access to housing, concerns about care and education of dependents.

235.Thus, 2014-2020 ESI Funds should comprise actions aiming to enhance internal/national mobility of labour force such as providing mobility and relocation

bonuses; providing vocational training for developing the skills required for growth potential sectors or the traditional sectors with potential to growth and also facilitating the transition of labour force from subsistence agriculture to non-agricultural activities or assessment and recognition of competences obtained in non-formal and informal contexts.

### **Overcoming mismatch of supply and demand for skills**

236. Complex changes in the Romanian economy mean that a different mix of workforce skills will be needed in the future (*See: Commission Services Position Paper, October 2012, p6; European Council Recommendations on Romania's National Reform Programme, June 2013, p7*). This is manifest in the opening of skills gaps early in the economic recovery with shortages of skilled workers are identified, particularly in areas of manufacturing and agro-food with growth potential. Recent research (*See: CEDEFOP, 2011*) indicates particular shortages in occupations for which TVET type qualifications are needed. The majority of current vacancies at the time of study required such qualifications, with notable demand in the textile and leather, mechanical engineering and construction industries.

237. Regardless the structure of occupations, most of them have made changes in work content. The main factors driving change in work content were: increased adaptation of products and services to customer needs as a response to increasing competition and new technologies.

238. The private sector development and expanding, its need to stabilize certain market segments have led to the development of firms policies "oriented to the beneficiary/client" and to the increase of the role of factors such as adaptation to customer needs and increase competition in the field. Refurbishments have played a major role in shaping and redefining the content of dominant occupations and of those which have significantly changed the content.

239. Therefore, as most occupations are facing changes in work content this requires an appropriate investment in workforce development services aiming to increase the enterprise adaptability to changes (Note: workforce development services of the companies will be supported under TO no 8, while updating the skills of the employees will be financed under TO no. 10 as part of the LLL).

240. The analysis under the *Competitiveness Challenge* above highlighted existing trends in sectoral growth and the conversion anticipated in future.

241. New business start-ups, entrepreneurship and SMEs are identified under the Competitiveness Challenge as offering significant potential for growth, but also contributing in the same time to increasing employment rate and gaining entrepreneurship skills.

242. Romania has the lowest share of its total employment in creative and cultural industries, as a nation it ranks 14th in Europe and the capital region of Bucharest ranks 34th of all European regions whilst being home to 42.6% of the nation's creative and cultural industries employees.

243. These complex trends have implications for alignment of the education system, including Lifelong Learning with the needs of the future workplace and this is considered below under *Education section*. For employment policy, these same trends place a premium on facilitating effective job transitions, internal/national labour mobility and adaptation as the Romanian economy moves towards a higher productivity and higher skills equilibrium.

244. Financial allocations will also support workforce development services of the enterprises to adapt to changes by promoting innovative forms of work organization, coaching for companies management, outplacement and exchanges good practices for employees of the companies within the same sector, long-term strategic planning in companies which anticipate changing and mechanisms for forward-looking planning of employment and skills. The 2014-2020 ESI Funds will also support interventions aimed at developing entrepreneurship and enterprise creation, including by providing financial support, targeting also non-agricultural activities in rural areas and also Danubian and maritime fishing communities.

### **Low administrative capacity of the public employment service**

245. The changes in the socio-economic context and in the structure of the labour market have resulted in an increased number of job seeking and unemployed clients for the PES and increased demand for PES services, particularly information and guidance, mediation and vocational training. However, a continuous decline in investments in active employment measures from 0.16% of GDP in 2003 to 0.02% in 2011 has reduced the scale and quality of services provided (*Source: National Agency for Employment*). Due to the very low spending, participation in lifelong learning and the take-up of active labour market policies remain among the lowest in the EU. The share of expenditures for active measures from the total unemployment fund decreased during the crisis period, with most of the fund being redirected to payment of unemployment benefits.

246. Moreover, following the adoption of new regulations facilitating access to employment for certain categories of persons facing employment difficulties, the functions and tasks of the PES increased. In addition, the budget constraints and the measures adopted in the context of the global financial and economic crisis have resulted in a reduction of the PES staff by 40% in the period 2008-2010. This situation forced the territorial agencies to function with minimum personnel. Thus, of the 42 county agencies and Bucharest, 18 agencies have less than 40 employees, 18 between 40 and 50 employees, only 6 of them are functioning with more than 50 employees. More than half of the local agencies operate with 1-3 employees.

247. This situation affected also the employment branches covering the entire country, which were reduced from 167 to 158 (during 2009-2013), these subunits being in the situation of covering large areas in which the movement of beneficiaries is difficult and resource consuming. At territorial level, each employee of the PES who is in direct contact with recipients and other unemployed people has to provide employment services on average to 825 people/ year. This will require an appropriate investment in capacity building of the PES employee in order to provide effective employment measures.

248. A strategic and multi-faceted approach is needed to better match PES services with client needs. Strengthening administrative capacity of PES and assuring an adequate

level of resources for active measures is crucial in order to increase the quality and the personalization of the services offered (See: *European Council Recommendations on Romania's National Reform Programme, June 2013, p 6*) by PES and to improve their effectiveness. The Public Employment Services need to be strengthened by reducing caseloads, diversifying services and integrating them in a coherent offer for jobseekers and employers and through the introduction of transparent performance management system. The provision of active labour market measures need to be more flexible and diversified, moving towards an integrated offer that corresponds to the labour market needs.

249. In order to overcome the PES deficit in terms of personnel, stronger partnerships with private employment providers and NGOs active in the field of activation will be instrumental to increasing the PES service capacity.

250. Therefore, 2014-2020 allocations should focus on increasing the capacity of PES to provide individual counselling, guidance and career management services; improved placement and recruitment services; skills based matching and recruitment services to employers; training and retraining and activation programmes reinforcing its activities in rural areas and disadvantaged communities and towards NEETs; monitoring labour market needs and regularly surveying employer needs; developing partnerships with other stakeholders (private employment service providers, educational authorities, employers, social partners and NGOs etc.) in order to ensure better outreach and activation outcomes and improve outreach to employers; designing, adapting and improving work procedures, including staff training and development of IT systems.

### **Lessons learned**

251. During 2007-2013 programming period, in response to the structural labour market problems and to the lack of skilled workforce in specific regions and occupations, the interventions were focused to increase the entrepreneurship by supporting individuals in creating new business, to improve the qualification level of professionals in management and organisation of work, to increase the specialisation level of employees by upgrading and improvement of skills. The rate of participants gaining a qualification is the principal result and reflects the strong emphasis of these interventions, over 70% out of the total number of participants (300,226 persons).

252. The measures dedicated to the integration on the labour market of young and long-term unemployed, attracting and retaining more people in employment and supporting formal employment were of interest for those searching for a job. At the end of 2013, the long term unemployed represented 29.24% of the total participants in employment measures.

253. In 2013, there was significant progress towards achieving the targets set for this year for the indicators "number of long term unemployed participants in integrated programs, including: women, youth" and "the number of participants from rural areas to integrated programmes".

254. The economic crisis continued to create difficulties in finding a job, thus the level of indicator "The share of rural participants certified in integrated programs, which obtained a job was maintained low (9.1% of total participants).

## Main development needs

255. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See: file SWOT Analysis.docx*), the identified development needs are also in line with the first results of the *National Strategy for Employment 2014-2020*, *National Competitiveness Strategy* as well as with the *Youth Guarantee Implementation Plan 2014-2015*.

256. According to the weight of the problem, **the main development needs** in the field of employment and labour mobility are:

- Sustainable integration into the labour market of NEETs (not in employment, education or training);
- Increase participation to the labour market of job-seekers and inactive people, focusing on long term unemployed, older workers (55-64 y.o.), Roma, people with disabilities and people from rural areas;
- Reduce regional and territorial disparities and enhance labour mobility;
- Improve alignment of employment and workforce development services with the changing needs of the labour market in priority sectors identified under National Competitiveness Strategy and National Strategy for Research, Technological Development and Innovation 2014-2020;
- Increasing employment opportunities;
- Diversification of the rural economy, by promoting the creation and development of businesses and jobs, outside agriculture;
- Diversifying the fisheries and aquaculture economy in order to attract employment and business creation in the field;
- Modernizing the PES system and strengthening its administrative capacity to deliver active/ personalized employment services (such as career path, counselling, mentoring, training, job search, job matching etc) and preventive employment measures, including through a partnership approach.

257. Concerning 2014 EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme:

- The main development needs 1-8 are relevant for recommendation on strengthening active labour-market measures.
- The main development need 8 relates to the recommendation on strengthening the capacity of the National Employment Agency.
- The main development need 1 regards the recommendation on activation of unregistered young people.
- The main development need 2 is linked to recommendation on strengthening measures to promote the employability of older workers.

## Social inclusion and poverty

## General

258. In spite of progress over the past two decades, Romania remains subject to:

- extensive poverty and social exclusion;
- high levels of deprivation in rural areas and urban pocket;
- social problems and antisocial behaviour, which particularly affect the poor and deprived;
- low quality and unequal access to health and social services.

259. Poverty and social exclusion, which predominantly affect Romania's less developed regions, have their roots in (*See: Commission Services Position Paper, October 2012, p 6*):

- the low-level of economic activity;
- the high dependence upon low productive subsistence agriculture, fisheries and related activities;
- unsustainability of past models for regional diversification, leading to de-industrialisation and migration.

260. A fundamentally poor situation has been exacerbated by the impact of the financial and economic crisis, which during the period 2008-2011 has seen a trend of improvement in the proportion of the population at risk of poverty and social exclusion (AROPE) (*See: Commission Services Position Paper, October 2012, p6; National Reform Programme 2011-13 Progress Report, March 2013, p17; European Council Recommendations on Romania's National Reform Programme, June 2013, p6*) from 44.2% in 2008 to 40.3% in 2011 stagnate and unfortunately more recently reversed (*See: Eurostat, December 2013*) to 41.7% in 2012.

261. Although policies, legal provisions, and responsibilities for counter-exclusion and poverty alleviation actions are established, local authorities lack the human and material resources to address these phenomena. Community-based services are underdeveloped; the potential contribution of social economy models is under-exploited.

262. Public investment is justified on economic grounds as well as by social justice. Social and economic exclusion has a high cost for Romania in terms of unrealised human potential. It represents a significant burden on public finances that will grow in future as Romania transitions towards the EU mainstream in terms of social provision. Nevertheless, sustainable solutions depend heavily upon progress under the *Competitiveness Challenge* outlined above.

## Extensive Poverty and Social Exclusion

263. In 2012, 124,5 million people, or 24.8 % of the EU-27 population were at risk of poverty or social exclusion (*See: Country specific recommendation, Objective 2020 and Romania assumed targets in Table 10*), defined as share of the population affected by one or more of:

- income below the poverty threshold;
- living in a situation of severe material deprivation;
- living in a household with a very low work intensity.

264. With 41.7% of the population falling within this definition, Romania has the second highest AROPE rate in the EU (*Source: Eurostat*). By 2020, Romania is committed to put in place a set of policies and programs to (a) lift at least 580,000 persons out of relative income poverty by 2020, compared to 2008 (c.6.51% of the 2012 level); (b) break the inter-generational cycle of poverty; (c) prevent the recurrence of poverty and social exclusion; and (d) ensure equal access to social assistance, cash transfers and services, such as to strengthen social cohesion.

265. In terms of **territoriality**, poverty has a significant spatial character. Bucharest-Ilfov has the lowest incidence; poverty is almost twice as prevalent in the Northeast and Southeast. Significantly higher shares of people faced with the risk of poverty or social exclusion are found in *rural areas and small towns*, mostly in the Northeast, Southeast, Southwest Oltenia and South-Muntenia regions. More than 71% of the Romanian poor live in rural communities. Between 2005 and 2011, the greatest progress in reducing poverty was recorded in three regions: Central, Bucharest-Ilfov and Southwest Oltenia; in South East and West regions its extent was changed only marginally.

266. *Mono-industrial* areas affected by industrial restructuring are experiencing pronounced ageing and depopulation; isolated settlements located in mountain regions and along the Danube corridor have the same negative demographic trend, mainly because of their geographical characteristics limiting access to jobs.

267. In *rural areas*, poverty is associated with lack of modernization and economic life dominated by agriculture. Since 1990, concentrations of poverty have formed in the urban centres in areas of poor housing. Further differentiating factors in urban poverty are the monetary income dependence of city/inhabitants, the segregation of communities in housing and greater use of social services.

### **Target groups**

268. *The groups most affected by poverty and social exclusion (See: Commission Services Position Paper, October 2012, p6) are as follows:*

**Children** represent a significant vulnerable group.

269. *Children and youth from poor families* - Some 320,000 children (0-17 years) were living in extreme poverty in 2010. Children in rural areas and Roma children are the most affected. The urban child poverty rate in 2010 was only 3.5% but in rural areas was 12.4%. Rates are significantly higher for Roma children: 27.3% for Roma children in urban areas, compared with 2% for Romanian children, and 41.1% compared to 10.6% in rural areas.

270. *Children in residential or family-based child care institutions (See: National Reform Programme 2011-2013 Progress Report, March 2013, p10, p18; European Council Recommendations on Romania's National Reform Programme, June 2013, p7).*

Integrating young people in the society in view of active living, as well as enabling their entire potential to ensure the quality of life represent essential elements for reducing the risk of social exclusion and providing the premises for sustainable development. In November 2011, there were registered 1,432 children aged 16-18, about to leave the child protection system and 1,541 young people 18+ at risk of exclusion.

271. The diminishing number of youth in institutionalized care requires special integrated intervention measures because they did not acquire, during the residential period, the abilities needed to establish an independent life, to find a job and to obtain housing. Lacking family support and social and professional integration skills, these young people do not benefit from social services that can provide counselling and support related to finding a job or receiving social housing only by demand. Currently, social counselling services are not sufficiently developed. Preparatory measures should be rapidly designed for the next contingents of children leaving institutions. Also, local authorities can provide accommodation for 18+ in multi-functional centers or family-type apartments, if these services do exist.

272. *Children with parents working abroad* - At the end of 2011 there were 83,658 children in this situation. Most, but not all of these children, are relatively well-off in material terms, but may be subject to emotional deprivation that harms their development. Lack of parental care and supervision may have serious effects on personality development, quality of nutrition and performance in school, including dropout rates.

273. *Single parent households and households with three or more children*. Whilst the relative poverty rate of childless households has dropped slightly in recent years, in households with children it has risen. Among these, in 2013 were registered single-parent families (51,776 families, representing around 20% beneficiaries) and households with three or more children (50,425 households of which 29,035 with both parents) are faced with a risk of poverty that is 1.5-2 times greater.

274. Most single parents (83% female, 17% male) are of Romanian origin and have a medium-low level of education. However, despite the relatively high rate of employment (64%) their incomes are low. For single parents who work, balance between work and family life, especially child supervision and support necessary for school are vital issues.

### ***People who are jobless or who have low incomes***

275. For working-age population, unemployment is the main cause of poverty. In 2011 the monthly unemployment rate for the active population aged 15-64 was 7.7%. The risk of poverty in the unemployed is almost six times higher (and rising) than in employees. During the crisis, the number of salaried workers has dropped by more than 15% or nearly 730,000 people (*See: Ministry of Labour, Family, Social Protection and Elderly, A Socio-Economic Analysis for the 2014-2020 Structural Funds Programming Period – Social Affairs and Social Inclusion, 2012*).

276. People living in households with very low work intensity account for 7.4% of the population in 2012 and almost one in ten children and one in ten people aged 18-59 live in households where no one has a job. Even so, employment does not always provide a way out of poverty. According to Eurostat, the in-work poverty rate in Romania in 2012



is the highest in Europe: in work at-risk-of-poverty rate by education level 51.2% (compared to the EU 28, 18.1%), in work at-risk-of-poverty rate 19.1% (compared to EU 28, 9.2%) and in work at-risk-of-poverty rate by household type 22.2% (compared to EU 28, 12.8%).

277. At the same time, self-employed farmers face an even higher poverty risk than the jobless. It has been estimated that 31% of the employed persons work in the informal sector, many in unstable jobs, seasonal or temporary employment that provides low and irregular incomes (often in kind) and most households are facing fuel poverty. This type of unstable employment is often all that is accessible to vulnerable groups, and compounds their exclusion, not being covered by the social insurance, health and unemployment insurance systems.

278. Another category is represented by homeless people; most of the people become homeless when leaving placement centres or another institution (either upon turning/completing their education or in other circumstances), or after losing their house. According to administrative data, in 2011 the number of marginalised persons (including homeless) without a house/apartment, owned or rented is 41,085.

### ***Elderly people***

279. In Romania the majority of dependent elderly are in the care of their family. However, people aged 65+ who live alone, account for 4.2% of the population and are considered a vulnerable group, especially in terms of access to health and social services. The share of 65+ population has already increased to 16.1% in 2011, compared to 11% in 1992 and it will reach over 26% in 2060 (*See: National Statistics Institute, 2013, "Romania population projections: 2060 Horizon"*). One important aspect to be taken into account is the statistical indicator showing the old age dependency ratio; in fact reporting the percentage of old aged population 65 and above to the active age population, aged 15–64. The old age dependency ratio was 21.3% (*Source: Eurostat*), but the prognosis is of constant and consistent growth: 25.7 % (31.4% EU) in 2020, 30.2% (38.3% EU) in 2030, 40.7% (45.5% EU) in 2040, 53.8% (50.2% EU) in 2050, 64.8% (50.2% EU) in 2060.

280. According to the population change projections for the interval 2008 – 2060 regarding Member States and for Norway and Switzerland, Romania is situated among the last four countries having the lowest figures, respectively a negative population change of -25% (*See: Eurostat, EUROPOP 2008 convergence scenario*).

281. In September 2013, the number of pensioners was 5,234,769 out of which 4,681,705 were pensioners of state social insurance (89.92%) and 553,064 elderly farmers at pension (10.78%). For the pensioners of state social insurance, the average monthly pension is 811 RON (around 180 euro), respectively 328 RON (around 73 euro) for the second category (*See: [http://www.mmuncii.ro/j33/images/buletin\\_statistic/pensii\\_trim\\_III\\_2013.pdf](http://www.mmuncii.ro/j33/images/buletin_statistic/pensii_trim_III_2013.pdf)*).

282. Often home care is provided in an informal manner by family members who burden the household income and relationships. Romania is confronted with the migration phenomenon, being the main “exporter” of active age individuals, including in the field of long term care provided mainly in the Western EU countries.

283. The increasing rate of elderly in the total population requires interventions in developing the appropriate care services (such as respite centres, day care centres), medical care services and of home-based social services, services that currently are underdeveloped.

284. Taking into account that, in 2012, there were 203 residential centres for elderly, out of which 108 public services and 95 administered by NGOs, and that the new legislation in the field emphasizes the need to maintain people in their homes as much as possible, it is necessary to develop home care services, along with community-based service. Also, in terms of transition from large type residential infrastructure to community based services, it is compulsory to provide alternative way of living to those formerly institutionalized, such as family type homes, protected homes etc.

### ***Roma people***

285. Two-thirds of Roma live in poverty and half of them are exposed to extreme poverty. While some 619,000 people, 3.2% of the population (*See: Census 2011*) are declared Roma, social research by national and international bodies suggests an actual number of Roma that is much higher (*See: Commission Services Position Paper, October 2012, p6 and p10; European Council Recommendations on Romania's National Reform Programme, June 2013, p6*).

286. Low participation in education is a major cause of poverty among the Roma population:

- 82.4% of Roma children of school age attend school;
- 6.9% have interrupted their education (85.7% of their parents cite poverty-related factors - lack of resources for the collateral costs of education, or the necessity for the child to partake in income generating activities for the household; only 14% declared that school drop-out is due to the lack of importance of education);
- 8.9% have never been enrolled in the education system (69.2% of parents cite a lack of resources for clothing and shoes; 7.7% that the children had to get involved in income generating activities – 7.7%, or had to participate in primary care for their younger siblings – 7.7%);
- Roma girls face disproportionately high risks of early school leaving and early motherhood.

287. More than half of adult Roma have not completed the minimum compulsory level of education. As a result they are not eligible for certificated vocational training courses.

288. Low educational attainment, combined with discrimination, leads to large disparities in labour market outcomes and in extremely low productivity rates. Some 38% of Roma work as unskilled, 32% skilled occupations (workers, vendors, traders), 9% are workers in agriculture and 13% traditional Roma occupations.

### ***Persons with disabilities***

289. In 2013, the number of persons with disabilities in Romania was 700,736, a ratio of 3.71 persons per 100 inhabitants (See: *Directorate for the Protection of Persons with Disabilities, June 2013*. Of these, 61,043 (8.8%) are children under 18 and 639,693 are adults (91.2%). The vast majority (683,921 persons, respectively 97.6%) (See: [http://www.mmuncii.ro/j3/images/buletin\\_statistic/hand\\_sem\\_I\\_2013.pdf](http://www.mmuncii.ro/j3/images/buletin_statistic/hand_sem_I_2013.pdf)) are in the care of their families and/or are living an independent life.

290. As noted above, persons with disabilities are grossly disadvantaged in the labour market. No adequate support for entrepreneurship/other forms of support (e.g. such as sheltered employment) for persons with disabilities is available.

291. Moreover, they are confronted with limited access to health and social services which are not well adapted to their special needs or their financial capacity. Persons with disabilities have limited access to quality health care, including to routine medical treatment.

***People suffering from addictions, those affected by domestic violence, human trafficking and persons deprived of liberty or on probation***

292. Romania faces increasing problems with drug misuse, which is partially correlated with other poverty and deprivation factors. The highest rates of misuse are in the poorest regions (Northeast and Southeast). Drug use is 2.5 more frequent in boys than in girls. The use of multiple substances and injecting is increasing. The incidence of HIV, HCV and HBV among drug users has increased. Hospital admissions from substance misuse have followed an upward trend in recent years, considerably exceeding in 2010 the previous record high from 2001.

293. For the entire period of 2004-2011 there was an increasing trend in recorded domestic violence, official statistics showing a number of approximately 82,000 cases of domestic violence (and 800 deaths), yet sociological studies (See: *Gallup Organization, 2003, Survey on Violence Against Women in Bucharest; national CURS survey conducted in 2008, as part of the CEEX project No 8687/2006, coordinated by NILM*) estimate a lifetime incidence of nearly 20% in women. Alcoholism, poverty, socialisation in a violent environment and patriarchal family pattern are considered to be distinctive factors in domestic violence in Romania.

294. Romanian nationals feature prominently among the *victims of human trafficking*, primarily for sexual exploitation, identified in other EU Member States (See: *UNODC, 2009, Global Report on Trafficking in Persons*). The number of identified victims in Romania has increased since 2009 and is attributed in part to the economic crisis pushing unemployed people to take greater risks (Source: *National Agency against Trafficking in Persons*). Women, (mainly those aged between 14 and 26 years) are more vulnerable to trafficking in human beings than men. Average education (lower secondary, vocational or high school) and material and financial poverty are triggering factors for exploitation and trafficking.

295. At the end of 2012, 31,817 persons were held in detention facilities countrywide, 2,185 from them being minors and young persons, detained in specialized prisons or juvenile detention centres (See: *National Administration of Penitentiaries, 2013*). These numbers have been increasing in recent years. As regards adult prisoners, 89% have a

final conviction, the majority of them being sentenced to 1-5 years. Less than a quarter of adult prisoners had completed a professional or vocational qualification prior to their detention. Resources are insufficient to ensure that all prisoners and those who have served custodial sentences are involved in good quality rehabilitative actions.

296. Alternatives to detention - community service, probation - are in a reform process but the social exclusion of offenders and ex-offenders is still high influencing their probability of re-offending. At the end of 2013, 20,744 convicted persons were registered within the files of probation services and 7765 pre-trial/pre-sentential reports were drafted by the probation counsellors at the request of prosecutors or courts. Those who have served a custodial sentence or on probation are facing discrimination in terms of equal access to education, housing, employment and often may find their opportunities restricted to informal work. Therefore, it is essential to be considered as one of the beneficiaries of the integrated measures with the final aim of achieving their social inclusion.

### **Deinstitutionalization**

297. One of the major reforms assumed by the social assistance system after 1989 has been the closing down of big institutions and developing small scale and community based services.

298. The social services system was organized in a decentralized way, all the services being provided at the local level by public providers or private providers: NGOs and religious (private non-profit providers) or economic operators, in special conditions regulated by special law (to be regulated in the future by secondary legislation). Therefore, in Romania has been developed a mixed social services market.

299. Type of centres: In December 2012, there were 1,210 public residential services and 356 private services providers for children at risk of separation from the family or separated from the family. These services include: classic residential centres (120), modulated residential centres (102), apartments (444), family-type home (711), maternal centres (61) and emergency reception centres (63), other services (such as services for independent life, day and night shelters: 61). A number of 387 residential services are for children with disabilities. The number of children with disabilities protected in these services was of 8,511 at the end of 2012 (–See: [http://www.mmuncii.ro/j3/images/buletin\\_statistic/statistica%20copii%20%2031.12.2012.pdf](http://www.mmuncii.ro/j3/images/buletin_statistic/statistica%20copii%20%2031.12.2012.pdf)).

300. *Children in residential or family-type child care services.* Through the development of family-type services, the number of children in public and private placement centres has reduced by more than 50% to stand at 22,532 in June 2013. Additionally, at the end of 2012, some 17,746 children benefited from day care centres and 28,044 children from other services for the prevention of child abandonment. In total, 45,790 children and mothers were benefiting from counselling and support services for parents, family planning services, pre-natal monitoring services, etc. provided in day care centres and other preventive services.

301. From the total number of *people with disabilities*, 2.4% (16,815) live in public or accredited private social assistance specialised residential care institutions. From

available administrative data, in January 2014, there were 332 residential institutions in Romania, out of which 38 with a capacity of over 100 beds each. The number of private residential services has decreased over the past 5 years with private provision now primarily concentrated in the more developed regions. In order to extend deinstitutionalisation, further support to establish community based alternative services is needed.

302. **The number of care services (including home-care)**, as well as the number of staff for these services, is insufficient in Romania. The situation concerning services for elderly persons is critical in Romania. Care services (respite centres, day care centres, and home-based social services for dependent people) are all underdeveloped. Over 20% of the elderly population in Romania needs home-care services and only 0.23% benefit concretely from these services. In many households, the personal revenues of the elderly are insufficient for their daily costs, especially those related to medicines, food and utilities (heating, electricity, etc.).

303. Development of this system of services, along with a diversification of care (nursing care, tele-assistance, day centres, integrated services, etc.) is urgently needed, and would, in the long term, significantly reduce the pressure on institutional care.

304. Therefore, for 2014-2020 programming period, Romania commits to ensure the shift from residential institutions to community based/ alternative services (e.g.: protected homes, family homes, domiciliary care, day-care centres, integrated social and health community services, respite centres etc.), which are still underdeveloped.

### **Prioritisation and implementation**

305. Allocation of support for social inclusion target groups from domestic and ESI Funds will take account of:

- the relative scale of the target groups and their territorial dispersal.
- the relative cost and potential for positive outcomes from intervention in the different target groups.
- the long term avoided public cost from treating different target groups.
- commitments under the National Reform Programme and to the Europe 2020 Strategy.

306. Promotion of the social inclusion and combating poverty will consider a life-cycle approach. For children (0-17 years), the goal is to ensure that every child should have an opportunity to develop their full potential regardless of social background, by equipping them with the education, skills and experience needed to achieve their full potential to become successful learners, confident individuals, responsible citizens and effective contributors of tomorrow. For working-age adults, the goal is to ensure that everyone has the opportunity to fully participate in economic, social and cultural life. For people beyond working age, the goal is to ensure that elderly are valued and respected, that they remain independent and participate in all aspects of life as active citizens, and that they enjoy a high quality of life in a safe community.

307.Implementation will be informed by the priorities of the relevant National Strategies and the findings of related needs mapping, including the National Strategy for the Promotion of Social Inclusion and Combating Poverty, National Strategy for Child Rights Protection and Promotion; National Strategy for Elderly and Active Ageing, Strategy of the Government of Romania for the inclusion of the Romanian citizens belonging to the Roma minority for the period 2012-2020.

308.In order to generate positive outcomes, implementation will encompass integrated actions by involving different partners from the public, private and NGOs and will address in an individualized manner the needs of the individuals.

309.The main focus of the 2014-2020 social policy agenda will be to increase the involvement of the community in providing these services, with local stakeholders playing a decisive role. Integrated action is essential in order to address the needs of vulnerable persons, groups and communities, including actions to improve educational participation, integration in the labour market, access to housing, social support, healthcare, cultural services, and actions to combat discrimination. The lack of cooperation and communication between stakeholders is one of the most prominent causes of inefficiency. In order to develop integrated services and to enhance the cost-effectiveness and quality of primary services, a framework for cooperation between social providers needs to be developed. In addition, at the implementation level, a special focus will be given to analysing if the operations will lead to segregation in schools, health, housing and social inclusion. These types of operations will be excluded from financing.

### **Social problems and antisocial behaviour**

310.Romanian society is adversely affected by a range of social problems and antisocial behaviours. These issues are strongly but not exclusively correlated with poverty and with deprived areas.

311.Although present to some extent in all locations and strata of Romanian society, the above and other social problems, antisocial behaviours and related criminal activity have a particular incidence in deprived areas and are a further blight on living conditions. Efforts to overcome these problems are hampered by inadequate coverage by social services and specialist agencies, particularly in rural areas, and by limited capacity and lack of specialist skills among personnel involved in providing social services. Weak organisation, operating procedures and ICT infrastructure are further constraining factors.

### **Social assistance system**

#### **Social services**

312.Social services in Romania are organized at the level of local authorities, in a decentralised manner. Local authorities have financial autonomy and are responsible for the development and management of social services. Within the social services system, there are public and private providers operating in a regulated framework under a system of accreditation, in line with general and specific quality standards.

313.The monitoring process led by the European Commission (*–Note: Romania has to submit twice a year to the European Commission administrative and statistical information alongside monitoring reports on social service developments based on the European Commission Recommendation on the active inclusion of people excluded from the labour market, 2008*) has highlighted that Romania has greatly improved the system of social services, but it is still lagging behind many EU Member States in terms of employment in the sector (4% versus 9.6% in the EU). The application of current legislation concerning the development of primary social services is hindered by lack of flexible forms of employment (for example, part-time), a very reduced share of social service expenditure in the GDP (Romania ranks bottom in the EU for this indicator), and the headcount and training of human resources.

314.The number of social workers in Romanian is nearly 5,000 active social workers (almost 3,500 of which are registered with the National College of Social Workers)). According to Law no. 292/2011, one social worker should provide services to not more than 300 beneficiaries. From a population of 21.5 million inhabitants, 40.3% (2011 data) are at risk of poverty and social exclusion, representing 8.66 million people. Therefore, the current ratio is one social worker providing services to 1,732 beneficiaries, showing the lack of human resources in the system.

315.In general, at community level, identification and early intervention services and referral systems for the most vulnerable groups are poorly developed or completely missing. Cooperation between different sectors and services is relatively limited. There are no mechanisms of coordination between competent ministries/institutions. Prevailing social attitudes and practices that foster discrimination and tolerance toward negative behaviours add more obstacles to identification and referral.

316.A recent commissioned study (*See: Ministry of Labour, Family, Social Protection and Elderly, A Socio-Economic Analysis for the 2014-2020 Structural Funds Programming Period – Social Affairs and Social Inclusion, 2012*) concludes that the social protection system is still faced with many gaps and inconsistencies, being unevenly developed especially in rural areas.

317.The development of social services in the community is correlated with the need to address the issues related to vulnerable groups.

318.The majority of Community based services are organized under the responsibility of the local authorities as they are closer to citizens and their needs. They are also responsible for the elaboration and implementation of social inclusion plans. At the same time, the community based centres are meant to cover the need of integrated services, as well as to encourage volunteering activities (in the field of social assistance and social inclusion), through providing an organized environment where volunteering programs could be developed, in connection with the needs identified at the community level.

### **Social benefits**

319.Though targeted at a relatively high number of beneficiaries, social benefits have a small share in total expenditure on social protection and low actual net values to the individuals which explains their limited impact on poverty reduction, social inclusion and protection of vulnerable groups. The intervention on reducing the risk of social exclusion

and poverty continues to be centred on social benefits (the guaranteed minimum income, cold season heating benefits, children's allowance, family benefits), without the complementary services of developing and implementing prevention and counselling social services, of life skill development, job-finding assistance, etc. The development and delivery of these services require investments in the systems and infrastructure as well as the skills and competencies of the professionals working in the field.

320. In order to ensure an efficient administration of the social assistance benefits at delivery and decision-making levels, a modern and flexible IT system is needed. The SAFIR application has been created in order to automate and manage the operations and the information associated with the social assistance benefits provided by the MoLFSPE. Although the SAFIR holds a lot of data and the main social benefits are being managed through it, SAFIR requires further development of the system for better policy decision and data mining, as well as for checking for reducing error, fraud and corruption.

321. MoLFSPE vision regarding the social assistance system is to follow up on two strategic directions:

- Strategic direction 1: To continue the efforts to increase the share and volume of resources for the relatively poor, by increasing the volume of funds for means-tested programs and by capping or reducing the spending on special programs, especially those with doubtful human development impact.
- Strategic direction 2: To consolidate existing small means-tested programs into a flagship anti-poverty program, the Minimum Social Insertion Income (VMI), that will have a higher poverty-reduction impact, provide incentives for work-capable beneficiaries to combine social assistance with work, and reduce the administrative and beneficiary's burdens. This process will evolve in two stages, as follows:
  - *The period 2014-2016.* The policy will be centred on the roll-out of the VMI program. The new program will forge synergies between cash assistance, social services and the use of employment, education and health co-responsibilities to trigger long-lasting poverty-reduction impacts. A stronger integration with public employment offices will be assured, that will help activate work-capable VMI beneficiaries, with services financed in part from the EU Structural Funds.
  - *The period 2017-2020.* During this period, the policy will be centred on the expansion of complementary social services and enhanced ongoing communication and diagnostic of social-protection, employment, education, health and housing policies for the relatively poor. To a large extent, this target group will be served by the VMI program. The profiling of work-capable VMI beneficiaries will be developed, such as offering them personalized support for activation; furthermore, we will expand the use of co-responsibilities and ALMPs to incentivize and support the transition from social assistance to a combination of social assistance and work.

322. Investment in a complex e-social assistance system would allow automatic cross-checking with different relevant databases (public finances electronic database, agriculture electronic registry, employment and pensions electronic registry, as well as civil electronic registry) and by implementing it at the local authorities' level, it would



facilitate beneficiary access to information, benefits and services, provide simplified procedures, avoid overlapping schemes to reduce administrative and beneficiaries costs, prevent and reduce error, fraud and corruption. This would imply an upgrading of the SAFIR system, a roll-out to local authorities and other structures, and the training of the personnel in using the system.

### **The social economy**

323.Social economy is an important tool against poverty and social exclusion with a tremendous potential for addressing socially-vulnerable groups and providing employment opportunities. The sector contribution may be significant for the social inclusion of vulnerable groups.

324.However, despite the significant support received by the social economy during the previous programming period of ESF funds, the sector still significantly under-utilizes its potential for supporting integration into the labour market and the development of social intervention for vulnerable groups. The main reasons are the gaps in supporting the sector (post accession funds have provided first opportunities for SE development starting effectively from 2009) and the lack of European funds efficiency in providing adequate and substantial support to those entities involved in various social economy activities. The main research reports developed under the EU-funded projects (ADV, 2011; Constantinescu, 2012; Arpinte et al., 2010; MoLFSPE 2013) are consistent in their main findings about the diagnosis of the sector and its weaknesses. Also, the implementation process of post-accession EU funds has revealed a series of difficulties in project management under unstable funding rules and complex bureaucracy.

325.One of the most important issues regarding the role of social economy at society level is the ability of the sector to find innovative solutions to economic, social and environmental challenges by creating and developing jobs, implementing social inclusion activities/actions, improving services at local level, fighting against poverty and community development (–See: *EU Commission (2010) Europe 2020, A European Strategy for Smart, Sustainable, and Inclusive Growth*). Social economy aims at increasing employment opportunities for Roma people, persons with disabilities or other vulnerable groups exposed to the risk of social exclusion by developing social economy enterprises and using the existing labour force at local level and especially in disadvantaged areas which is unemployed due to a very small range of employment opportunities.

326.Currently, the following entities have been identified as developing social economy activities:

- cooperatives, associations and NGOs delivering goods and services on a not-for-profit basis, including retail services where the commercial market is less than fully functional and organisations delivering public services locally under contract;
- credit unions, providing micro financial services;
- authorized protected units, functioning as businesses, but where at least 30% of the workforce is disabled.

327.The social economy employed over 100,000 people at end of 2010, representing 1.1% of all employment and about 1.7% of salaried employment in Romania (*See: According to the Press Release no. 130 of June, the 14th 2011 of INS on employment and unemployment*). The draft Law for social economy in Romania was recently adopted by the Government and sent to the Parliament. However, its application will require an extensive effort to build capacities in this sector and to promote and support the social economy structures including the investment in equipment and infrastructure. The added value of the future social economy enterprises, resides also in the development of the social insertion enterprises, as the new draft Law prevails that the enterprise has at least 30% employees from vulnerable groups and reinvests at least 60% from profit or financial exceeding to the development of the social insertion enterprise.

328.Nevertheless, many legal and practical impediments constrain the potential contribution that social economy can make to local development and to combating social exclusion, notably lack of legal framework at EU level. Nevertheless, there is limited knowledge about social entrepreneurship and constrained access to finance.

329.The financing of social economy entities should be combined with adequate counselling and training for the social entrepreneurs. Limited success was achieved during the 2007-2013 period as the concept was new and the legal basis undeveloped. Nevertheless, a number of achievements were made in terms of both raising the awareness and possibilities of social enterprise and in more concrete terms the creation of jobs.

330.Taking into account the availability of the newly prepared legal framework, as well of the fact that the established need for social enterprises for the current financial exercise might not be covered, as well as the relevant role in creating new jobs, as proved for 2007 – 2013 period, there is justified continuing the development and the support for social enterprises in 2014 – 2020 exercise.

331.Also, the implementation of the 2014-2020 ESF allocation will promote social innovation, particularly under the actions addressing **social entrepreneurships** and in the context of the role of the **social economy entities** in addressing the needs of the vulnerable groups.

### **Social responsibility**

332.In order to elaborate the framework for defining the concept of social responsibility, the *National Strategy to Promote Social Responsibility 2011 – 2016* (*Source: General Secretariate of the Government, <http://www.sgg.ro/nlegislativ/docs/2011/05/2x4bdfjnwskv89h17pzq.pdf>*) was adopted, considering that the reduction of poverty is also an issue of ethics and responsibility. Therefore, raising awareness at national level and promoting good practices for social responsibility can contribute significantly to social inclusion and poverty reduction.

### **High levels of deprivation in rural areas and urban pockets**

333.As noted above, poverty is significantly concentrated in Romania's rural areas, where it is paired with housing deprivation mostly related to poor sanitation (*See: Commission*

*Services Position Paper, October 2012, p8*) (restroom, bathroom, running water, sewerage infrastructure, etc.). Although investment in basic infrastructure (roads, water supply and sewerage infrastructure) and services in rural areas has been supported both by national and EU funds, it is still underdeveloped, hampering economic growth, employment, attractiveness to investment (*See: Commission Services Position Paper, October 2012, p7*) and having a negative impact on quality of life of the rural population.

334. Since 1990, urban areas have witnessed the emergence of territorially compact pockets of extreme poverty and precarious housing. These areas contain a concentration of people who are excluded from the official labour market and exploited on the informal labour market, poorly connected to information and communication channels and with poor quality of services (education, health, and infrastructure). Even if many of these districts are characterised by poverty rather than ethnicity, Roma tend to be subject to greater exclusion than other residents.

335. In all these areas, children and young people make the majority (over 60%), while the population aged 60+ accounts for less than 10%.

336. Many residents of deprived areas live in sordid buildings, some structurally unsound, lacking utilities. Sanitation is appalling due to a lack of running water and sewerage. Electricity and heating is undersupplied and more than half of households suffer from cold permanently. Moreover, homes are overcrowded and often two or more families/people share one room.

337. Pockets of social exclusion can be identified in every Romanian town (*–See: Rughiniş, 2000; Stănculescu and Berevoescu, 2004; Sandu, 2005; Berescu et al. 2006; Berescu et al., 2007; PCSDRA 2009; Stănculescu, 2010; Botonogu, 2011, The findings presented in the text are confirmed by all these studies, with some statistical differences according to the researched areas*). Important types are: communities near landfills, semi-rural areas (houses at the outskirts of town), “old town” areas (old houses in the centre of the town), “ghetto” areas (former workers’ homes, uncertain legal status, crime-affected districts), brownfield sites (former apartment buildings built for workers in former mono-industrial towns), peri-rural areas (close to a village but with different spatial organisation), “autonomous” areas (belonging to a territorial administrative unit yet independent of it from a physical and community standpoint).

338. In 2012 has been started a mapping process of the disadvantaged communities in the urban areas, with the support of World Bank with the purpose of the elaboration of Integration Strategies for Poor areas and Disadvantaged Communities.

339. At the same time, the World Bank elaborated maps of poverty at the national level, that provide regional and county level concentration of poverty information, using the information from Population and Housing Census and EU-SILC.

### **Prioritisation and implementation**

340. For a better complementarity of funds allocation and for obtaining a more effective/integrated approach (e.g. education, housing, community care centres, employment etc.) in implementing social inclusion projects, Romania considers the

opportunity to establish a single body for ESF financed interventions (common for both for CLLD and non CLLD operations foreseen under HC OP).

341. In order to ensure synergies with ERDF and EAFRD, the National Contact Point for Roma and the single body for ESF will be involved from an early stage in the design of the calls of proposals and in the selection committees for social inclusion interventions financed under ROP and NRDP.

342. The main role of the National Contact Point for Roma will be to ensure that the operations to be financed are in line with the strategic priorities of the National Strategy for Roma inclusion.

343. In the framework of EAFRD, a stronger emphasis will be given to the support for the Roma population in the context of LEADER through the local development strategies (LDS). Thus, it is envisaged to prioritize the LDS that are promoting concrete projects dedicated to the particular problems of the minorities, including Roma. Also, MA NRDP will ensure that the animation activities of the potential LAGs also target and involve the Roma communities, where relevant, as LAGs will have to provide a clear and traceable record of these activities. By following this two pillar approach, the dissemination of information about the funding opportunities available from EAFRD will also reach the Roma communities, thus facilitating the access to finance.

344. Technical assistance will be provided by the Human Capital OP for potential beneficiaries of social inclusion projects, especially local authorities and NGOs.

345. Allocation of support for local area regeneration from domestic and ESI Funds will take account of:

- the relevant Regional Development Plans and related needs mapping;
- the scale of the affected populations;
- existing and potential capacity in communities to engage in their own development.

346. Implementation will go beyond piecemeal delivery of services to the social inclusion target groups identified above. It will involve multi-stakeholders cooperation including local authorities, social services and law-enforcement agencies health, education, culture, religion, social assistance or non-governmental organisations. Where existing or latent potential exists at community level, the opportunity will be afforded to use the LEADER local development or Community-led local development models.

### **Underdeveloped health services and poor health outcomes**

347. Across most health indicators, Romania has substantial gaps when compared to the EU average, frequently recording the worst or close to worst performance. Vulnerable and underserved population sub-groups are known to have poorer health outcomes. At country level, life expectancy has steadily improved but it lags behind the European average for both genders (- 6.4 years among men, and -5.1 years among women in 2011). Infant mortality remains three times the EU average due to underlying socioeconomic factors related to poverty and lack of accessibility to medical services, combined with

serious deficiencies in health services delivery, especially in primary care (*See: WB, Romania Functional Review; Health Sector; Final Report, 2011*). Deaths from cardiovascular disease and cancers are twice the average for EU (Source: Eurostat), and mortality rates due to cervical cancer and multidrug-resistant tuberculosis (MDR-TB) are by far the highest among the EU member states.

348. Early diagnosis and early stage treatment would contribute to improved quality of life and life expectancy, particularly among those underserved due to their socio-economic condition or accessibility-related barriers.

349. There is a strong **territorial character** to health performance reflected in health outcomes, and a high correlation with poverty factors (Source: Various: NIS, WHO, Eurostat). Health outcomes are generally much better in Bucharest-Ilfov than in any other region, and worst in the poorest NUTS 2 regions (North-East and South-East). Outcomes are substantially worse in rural areas than in urban locations in the same region. Rural areas are known to have lower access to services and are associated with a higher proportion of vulnerable groups - people at risk of poverty and elderly. Unlike in other countries where out-of-pocket costs induce poverty, in Romania equity in access rather than high financial costs is an important exclusion factor (*See: WB, Romania Functional Review; Health Sector. Final Report; 2011*). Territorial disparities exist also in terms of health infrastructure available at all levels of the health system, from the community-based services to hospital level. Addressing these territorial disparities involves a good mapping of deficiencies, adequate prioritization of health investments, and focus on most affected regions, communities, and pockets of poverty to ensure: adequate access to health services, as well as the minimum continuum of care for the vulnerable citizens at the appropriate segment/level of the health services pyramid.

350. The causes of health inequalities and poor health performance in Romania are of diverse nature and pose complex challenges ahead:

- poor planning/weak management and low cost - effectiveness within the health sector (*See: National Reform Programme 2011-2013 Progress Report, March 2013, p19; European Council Recommendations on Romania's National Reform Programme, June 2013, p5, p10*), services being disproportionately provided at hospital level, but insufficient at community level. The health service network should also be placed under a more effective quality control mechanisms (*See: WB, Romania Functional Review. Health Sector. Final Report, 2011*);
- uneven quality of services provision, weak institutional capacity to define and support the implementation of continuous quality improvement mechanisms, and suboptimal quality of continuous education programs for health professionals;
- underdeveloped and rather often outdated infrastructure and equipment, concentration of resources within urban areas with weak capacity to outreach poor and isolated rural (Source: INS). The causes for these deficiencies are due to historic strategic under-investments in health in the post-communist period, but also due to external factors (e.g. roads infrastructure), resulting in a limited capacity to support equitable access to quality health services. Accordingly, the key service-specific challenges are:

- uneven distribution of PHC/community care settings, with low level of coverage in rural settings that are associated with poverty, physical isolation and ethnicity factors, but also insufficient and rather unequal services' integration at community level (within the sector but mainly between health and social services);

- suboptimal quality and access to secondary level of care (specialized ambulatory outpatient services), even if this service along with primary care, have the potential to effectively gate-keep and prevent excessive utilization of far more expensive hospital care;

- inappropriate hospital settings impeding the system's ability to respond to essential healthcare needs at regional level, such as major emergencies, that should be accessible also to the most vulnerable;

- low and slow development of long-term care (including residential homes as well as home-care services for the dependent population);

- suboptimal TIC infrastructure, with existing information systems developed in a piecemeal approach, with poor connection of data;
- shortage and uneven distribution of health staff at all levels of the sector, accentuated by external migration of staff observed since accession to EU, that requires investment in the human capital available;
- suboptimal level of health literacy, especially among the socio-economically challenged and vulnerable ethnic groups, associated with insufficient capacity of health promotion/disease prevention services, mainly at community level.

351. The proposals for funding under the ESI Funds follow the strategic direction of the National Health Strategy 2014-2020 but mainly focus on maximising the sector's contribution to the EU2020 objectives. Different sectoral priority investments are planned to be addressed from domestic sources, World Bank funding, Norway Grants, Global Fund to Fight AIDS, Tuberculosis and Malaria, Swiss-Romanian Cooperation Programme along with EU, etc. Collectively, they aim to rationalise, restructure and modernise the sector and to create a more equitable, sustainable, cost-efficient and higher quality health service.

352. Strategic prioritization is mainly driven by the gap in health outcomes and health inequalities in priority health areas defined as such in the National Health Strategy such as: maternal and infant mortality, major communicable diseases (e.g. TB, HIV/AIDS), and top five chronic pathologies amenable to early detection/early treatment (cancer, cardiovascular diseases, diabetes, mental illness, rare diseases), known to have higher impact upon the most vulnerable and deprived. It also takes into account - besides the relevant priority health areas – the needs of priority population groups living in priority regions/communities with poorer socio-economic conditions and accessibility. Increased access to health services, especially for the most vulnerable segments of the population, combined with reduction in administrative costs - including through energy efficiency measures where feasible – and improved administrative capacity represent strategic objectives for maximizing sector's potential to contribute in a financially-sustainable manner to promoting social cohesion through health and health services. Projected investments will be deployed according to the national and regional/county plans of

health services to be updated in line with the National Health Strategy, and correlated with the relevant development plans. For each priority segment of the health sector, the main criteria for geographical prioritization of investments are those defined by the ex-ante conditionality applicable to the health sector. The approach for primary health care strengthening takes into account as well the specific strategy elaborated with World Bank support (See: Strategy for Primary Health Care in Underserved Rural Areas. Oxford Policy of Management. World Bank. 2012). The challenge is to fine tune investments to best address poverty distribution across the country (Note: Poverty Mapping in Romania Making Better Policies through Better-Targeted Interventions).

353. Under the current organization of care, the Romanian health uninsured are entitled to access to primary health care (essential preventive services and emergency care by family physicians), ambulatory services (patients with certain diagnoses eligible for treatment and care under the National Health Programmes - NHPs), and prehospital and hospital care for emergency and specialized treatments in the NHPs (local, county and/or university hospitals). However, access to disease prevention through community health nursing/Roma health mediation is territorially limited. Some of the health insured entitled to the basic health care package also encounter barriers (on economical grounds, geographical access to services, etc).

### **Primary and ambulatory healthcare services**

354. **Primary health care** strengthening will focus on developing community-based services to optimize territorial access to skilled community health staff (nurses and Roma health mediators), better integration of health and social services locally available, and better access to 24-hour family physician services in areas substantially underserved. Community health personnel is instrumental in outreaching vulnerable poor and marginalized with interventions on priority health topics such as: women and child health, TB/MDR-TB, compliance to obligatory vaccinations including among Roma children, and other relevant public health priorities identified in the National Health Strategy. Despite their effectiveness in bettering health indicators (e.g. maternal and infant mortality) by outreaching the people in risk, only 800 out of more than 3,000 rural administrative units ('communes') have access to community health nursing. Needs related to long-term care/elderly care should be addressed as much as possible at community level, mainly through capacity building interventions to comply with the objectives regarding de-institutionalization and optimization of inpatient services utilization. A new approach for effective integration of services (health and social) at community level, with the participation of community nurses, health mediators and social workers, is collaboratively being developed by MoH and MoLFSSE, and will be scaled-up during the 2014-2020. Integrated community centers/ socio- medical centres will be developed in areas most in need. Enabling access to 24-hour GP/family health services is crucial in remote, highly isolated areas, requiring accessibility to essential equipment. CLLD actions will be developed to address local development needs of the population groups at risk of poverty and social exclusion through an optimized mix of interventions. Sufficient and well-skilled social workers, nurses and family doctors, able to align their work to best practices and existing European standards, are contributing factors for combating social exclusion and any form of discrimination.

355. **Specialized ambulatory services** need further capacity strengthening to reduce avoidable hospitalizations. The ambulatories offer specialized outpatient care, including

for uninsured diagnosed with certain pathologies covered by National Health Programmes. Thus, investments in ambulatories' rehabilitation, equipment and training for specific staff are necessary in order to reduce demand for resource-intensive hospital-based services. About one third of county-level ambulatory units have been upgraded to different degrees during the 2007-2013 EU financial exercise, another third is scheduled to be addressed under the World Bank loan operational end-2014, and the remaining third are prioritized for 2014 – 2020 ESI funding. The aim is to reduce territorial disparities, with expected benefits also for the vulnerable uninsured, underserved or marginalized.

### **Emergency care services**

356. **Prehospital emergency care** serves all individuals in need of acute urgent care, regardless their health insurance status. Continuous education of emergency personnel working in this segment of health services is important. Sustained investments have been made to improve capability and performance. However, the need to cover marginalized communities in remaining remote areas, within national waiting time target, coupled with obsolescence of emergency care infrastructure, requires investment in updating and improving availability of specialised equipment and vehicle infrastructure.

357. **Regional and county level emergency hospitals.** The reform of the health sector to ensure transition of healthcare towards a sustainable and inclusive health system requires the development of key levels of care by investments in essential segments of the healthcare sector. Primary health care and ambulatory care plus emergency services, including regional emergency hospitals, constitute important pillars of the health services network expected to contribute to reduction of health inequalities and an equitable geographical distribution of service provision.

358. The current hospital network is formed of local/municipal, county and university hospitals, but the specification of the hospital estate is inconsistent with the delivery of a modern and efficient health service, also due to the absence of buildings for modern regional emergency hospitals functioning. In general, the hospital infrastructure is known to be deficient. Some services are provided in buildings more than 100 years old, that are widely dispersed and that cannot accommodate standards applicable to modern hospital settings (e.g. building blocks dispersed at kilometres away from each other impeding prompt multidisciplinary diagnosis/treatment of severe urgent cases, deficient circuits within hospital, insufficiently equipped).

359. The “regional emergency hospitals” to be developed in the framework of the health sector reform are meant to provide high quality, efficient multidisciplinary services for both insured and uninsured. Given the extensive distribution of poverty in Romania, investment in infrastructure for regional emergency hospitals (one per each NUTS 2 region funded from EU and other financing sources) will respond to the needs of vulnerable groups as well. Access by the poor and uninsured could also benefit from an appropriate level of tertiary care for certain pathologies - like advanced cases of cervical cancer detected under young organized screening programmes that could not be otherwise provided in their region.

360. In the absence of modern regional emergency hospitals poly-trauma is treated in certain NUTS II regions in hospitals with highly segmented building infrastructure. This



does not allow a multidisciplinary approach and poses a high risk related to quality of services and patients' safety. Especially the most vulnerable groups, those living in remote, deprived areas with limited regional access to such type of services may encounter financial barrier in using services located outside their region. Perhaps the most relevant example is child tertiary care. Infant and under-5 mortality is associated with lack of efficient concentration of resources and competencies at regional level, as well as unequal access to the needed level of care (the higher rates of infant mortality being registered in the counties of Tulcea and Mehedinti). Complex cases should in future be dealt with by high competence tertiary units in regional emergency hospitals. Priority will be given to Romania's poorest regions (like North-East and South-West) or those with comparatively high number of people at risk of poverty and social exclusion (North-West) (*See: World Bank, The Poverty Maps, 2012*), which at same time lack suitable buildings to host a regional emergency hospital (due to hyper-segmented existing building infrastructure and/or excessive seismic risk).

361. At the level of county emergency hospitals, investments should be made in renovation/modernization/rehabilitation and in the highly deficient equipment to allow access, quality diagnosis and treatment. Continuous education programs for all types of specialized staff to respect clinical guidelines and protocols represent a critical investment in human resources. Thus, the quality of services provided in hospital settings in priority health specialties with public health relevance, like maternal and infant care, should increase.

362. In addition, most county level hospitals do not meet the EU standards and are energy inefficient, incurring high costs for providing heating, and are lacking adaptations that enable appropriate physical access of the patients.

363. In line with National Health Strategy 2014-2020 and the CSRs, **prioritization of ESIF sectoral investments** is meant to support the health sector reform by fostering increased efficiency of resource allocation and utilization. It will be achieved "by reducing the excessive use of hospital in-patient care and by strengthening primary care and referral systems", and improved administrative capacity. The paramount objective is to better address the needs of the vulnerable and disadvantaged especially in primary health care and ambulatory levels, thus to diminish existing inequities related to access and quality.

364. In order to **increase capacity for the provision of community care services**, of outmost importance is investment in human capital (nurses, Roma health mediators, family doctors) to ensure higher territorial coverage with community based-services, training and operations. (Note: ESIF prioritized support to gradually enrol up to 2000 community health personnel – community health nurses and Roma Health personnel for their training and operations). The needs for investments in physical infrastructure at this level are greater in poorer regions/communities. They will be covered from domestic sources wherever costs are accessible and feasible under the local budgets.

365. ESIF support will be directed towards poorest communities that cannot afford such investments, for isolated and underserved populations, and will be used for rehabilitation of existing and convertible infrastructure and CLLD initiatives. Rehabilitation of community centres/ socio-medical centers will be prioritized according to: population level of poverty, pre-existent access to community care services and other vulnerability

indicators (high rates of ethnic minorities, high dependency ratios, poor mortality and morbidity indicators for priority health conditions etc).

366. For **increasing the healthy life expectancy/quality of life and productivity** and for **decreasing avoidable hospitalization**, territorially equitable access to quality specialized ambulatory services is needed. The specialized ambulatory centres provide services that are critical to the implementation of the county health service delivery plan (the plan enables appropriate access of vulnerable groups to all types of services they are entitled to by ensuring an adequate patient referral).

367. Prioritization of ESIF support will take into account: the volume of the services provided (history of services provision shows an appropriate level of activity); ineffective hospitals (rural or small urban hospitals with low levels of activity or high levels of avoidable hospitalization) that need reorganization/ rationalization and propose business plans for transformation into ambulatory centres (this criteria shall be fulfilled together with the first two criteria); the health facility did not benefit from complete investment programmes in the ambulatory care in the past 10 years.

368. In order to provide **an integrated multilayer network of hospitals that should be able to deal with the most complex cases in a multidisciplinary, efficient and clinically safe approach**, which is not achievable with the actual infrastructure, **decrease avoidable deaths by complex tertiary cases and ensure equitable access to quality inpatient services**, development of regional emergency hospitals network is envisioned. Investments will be prioritized to: poverty-burdened NUTS 2 regions (in absolute and relative measures) lacking buildings that could be rehabilitated/extended to provide adequate regional inpatient emergency services. Along with prehospital emergency services another segment of the national emergency network that contributes to the continuum of care and social inclusion through health are the county emergency hospitals. At this level, priority will be given to county hospitals that did not benefit from previous investments, are struggling with energy efficiency issues and lack essential equipment.

### **Increasing institutional capacity**

369. Training of professionals and managers at national and local level for increasing knowledge and skills to define and implement evidence-based policy making is a must considering the need for cost effective intervention as well as having in view the progress of the health reform and decentralization process.

370. Given the scattered and fragmented information system today, the suboptimal use of e-health technologies and limited interoperability, there are major impediments on the performance of the health sector. Lack of specialized human resources in remote geographical areas is pitfall that can be countervailed through modern technology (telemedicine and other e-health solutions).

371. An increased system efficiency and management capacity requires a better availability and utilization of information and communication technology (ICT) instruments in the framework of e-health (enabling systems interoperability, telemedicine, integration of existing databases and registries, development of new patient registries, continuous upgrade of NHIH ICT architecture - electronic referral system,

electronic insurance card, electronic patient file, etc.). This will ensure the development of services networks between the rural centres and the specialized ambulatory centres, as well as the networks between the emergency hospitals.

### **Rural small scale infrastructure**

372.A significant challenge which has to be addressed in order to promote social inclusion and poverty reduction in rural areas is infrastructure, as a pre-condition for local economic development.

373.Even if, in the recent years the basic infrastructure in rural areas (roads, water supply and sewerage infrastructure) was supported both by national and EU funds, it is still underdeveloped, hampering the economic growth and employment. In this respect, until now, in NRDP 2007-2013 are envisaged to be modernized and built 3,846 km of communal roads, which represent approximately 12% of total communal roads.

374.Regarding the distribution of drinking water in rural areas, at this moment, about 4.4% of total length of the network for distribution of drinking water (2,909 km of pipelines for water supply) are expected to be realized through NRDP-2007-2013. Also, the centralized sewerage network supported by NRDP 2007-2013, about 17.6% (4,355 km) are envisaged to be built and modernized.

375.The **educational infrastructure** also lacks the capacity to support a decent standard of living. In this context, pre-school education is faced with a major deficit in terms of infrastructure, the percentage of kindergartens coverage in the rural area being of only 7.44% of the number registered at national level in the school year 2012-2013.

376.In comparison with the large number of farms, Romania has a low number of trained farmers, an aspect strongly influenced by the decrease of the agriculture school graduates. A number of agricultural high schools have closed down and their number decreased during the last 15 years by over 80%. In 2011 there were 34 rural agricultural high schools. Lack of specialized training in the context of practicing agriculture in rural areas leads to poor farm management and the deepening of poverty that rural areas are already experiencing. In this respect, a special focus should be oriented on educational infrastructure in agriculture field.

377.EAFRD shall support the rehabilitation, expansion and modernisation (including technological upgrade) of the secondary education establishments with agricultural specialisation, and the creation and modernisation (including technological upgrade) of the ante-preschool and preschool educational infrastructure in rural area in line with the educational infrastructures priorities at national level.

378.**Social services and related infrastructure** do not meet the needs of the rural population, and the deficit of conditions for the development of the rural area from a social perspective will be reflected in the economic development of rural areas in Romania.

379.The **social infrastructure** is insufficiently developed to meet the demands. Therefore, in 2011, there were 524 adult care units, out of which 27% were functional

residential services for old people while the number of old people in the rural area is increasing. A similar situation also applies in case of nurseries; there were 295 units in 2011 at national level out of which only 2 units in rural areas, while the number of children between 0 and 4 years amounted to 1,054,946 in 2012, out of which 45.5% were children registered in the rural area.

380.Also the cultural heritage including, cultural infrastructure has an important role in preserving the local identity, the specificity of rural areas and maintaining the traditions for the next generation.

381.Sustainable economic and social development of the rural areas is critically dependent on improving the existing rural infrastructure and basic integrated services. The rural population will benefit from improved infrastructure leading to adequate community life standards.

382.EAFRD intervention in rural small scale infrastructure will be developed in accordance with the relevant strategies in place.

### **Lessons learned**

383.There were difficulties in applying *integrated projects* and the lack of correlation between the local infrastructure projects within the objectives of regional development or sectoral strategies.

384.Also as a lesson learned is *Investments in educational and social infrastructure* will be carefully targeted considering the demographic trends, with a special focus on the rural population and complementarity with other funds.

385.In 2007-2013 programming period, the financial support was mainly targeted to promote and support job creation in structures of social economy, to increase the qualification level of persons belonging to vulnerable groups, to improve the level of skills and competences of professionals in the field of social inclusion.

386.The social economy structures were successful as measures by subsequent jobs creation, the planned target being exceed. The training for persons working in the social service was the most effective action, the number of these participants represented 44.14% of the total number of participants in social economy programmes.

387.In terms of progress achieved by implementing ESF measures, there were significant achievements for the following indicators Number of participants in training/retraining programmes for vulnerable groups, number of participants in training programs dedicated specialists in the field of social inclusion, number of dependents supported, number of set up structures of social economy, number of jobs created by the structures of social economy.

388.During 2007-2013 programming period, there were issues related to ineffective coordination at regional/county levels of strategic projects targeting employment and social inclusion. Therefore, 2014-2020 financing should ensure the coordination between funding sources in general as well as between local stakeholders and the future

investments in dedicated infrastructure should be accompanied by ensuring the complementarity with the ESF type projects.

389.As the 2014-2020 impose a higher emphasis on results, it will be crucial to establish a more flexible framework (e.g.: Simplified cost options) which will address the current deficiencies related to the low absorption rate and facilitates a higher achievement of the targets foreseen.

390.The main difficulties in implementing the **NRDP** projects of basic infrastructures were related to their *complexity and long period for completion* and given that the available funds were inevitably highly limited as compared to needs in rural areas. Such investments require many authorizations issued by various authorities which generate additional administrative burdens for beneficiaries.

### **Main development needs**

391.Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See file SWOT Analysis.docx*), and consistent with the aims of the relevant National Strategies, **the main development needs** in the field of Social Inclusion and Combating Poverty are:

- Reducing the incidence of poverty and social exclusion experienced by the identified vulnerable groups through integrated measures (education, employment, housing, social and health care and actions to combat discrimination);
- Promoting social economy and providing support to social economy structures with the final aim to support social and labour market integration of vulnerable groups;
- Improving the basic infrastructure and access to services in order to promote economic development and reduce poverty in rural settlements and in deprived urban areas, including fisheries areas
- Developing qualitative and accessible social assistance system including the development of alternative types of services to assure the transition from classic/ large scale residential centres to community – based services
- Improving access to and quality of community-oriented health services - community nursing, primary care and ambulatory care and optimize integration of social and health services to target vulnerable.
- Improving capacity to effectively address gaps in maternal and child health through better territorial access to skilled community nurses/Roma health mediators able to provide community-based services for those at risk, and ensure adequate referral to other health and social services.
- Strengthening the capacity to provide equitable access to regionally optimized high level tertiary care, able to improve health outcomes for priority relevant pathologies that disproportionately affect the poor and account for the majority of adult morbidity and mortality gaps (e.g. cancer, cardiovascular diseases, diabetes, mental illness, rare diseases, tuberculosis).

- Improving the system efficiency through the use of information and communication technology (ICT) instruments in the framework of e-inclusion, e-health and e-social assistance.
- Reforming the HRM professionals in social protection and health care

392. Concerning 2014 EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme:

- All development needs are in line with the recommendation related to continuing reform of social assistance by strengthening its links with activation measures
- Development needs 1, 2, 5, 6 and 8 regards recommendation on stepping up efforts to implement the envisaged measures to favour the integration of Roma in the labour market
- All development needs are indirectly linked to the recommendation on increasing school attendance and reducing early school leaving through a partnership approach and a robust monitoring mechanism
- The main development needs 1, 3, 5, 6, 7 and 8 are related to recommendation on stepping up reforms in the health sector to increase its efficiency, quality and accessibility, including for disadvantaged people and remote and isolated communities

## **Education and training**

### **General**

393. Romania still has to improve the performance at all levels in its education and training system due to a series of realities such as:

- presently limited availability and consequent low participation in early childhood education and care;
- non-enrolment and high early leaving rates in compulsory education remains high, especially for vulnerable categories of students, including Roma;
- levels of attainment in compulsory education are still behind European averages;
- low participation in tertiary education, especially for the last three years and for the population aged 30-34, and very low participation in adult lifelong learning;
- mismatch in the outputs of the education and training systems with labour market needs;
- slow insertion into the labour market following completion of education and training at all levels (and reflected in the high number of NEETs highlighted above under Employment).
- inadequate skills of farmers in agriculture, food and environment sectors.

394. The causes of low performance in education and training are variously:

- very low expenditure. In 2009 Romania spent 4.24% of GDP compared to and EU27 average of 5.41%. Allied to Romania's below average GDP, this translates to an absolute level of spending per capita (per pupil/student) of 2,386 euro compared to the EU27 average of 6,504 euro (*Source: Eurostat Educational expenditure statistics*);
- unattractive facilities, low levels of equipment;
- teaching skills, methods and curricula need to be adapted to an education approach more related to the labour market needs;
- weak linkage between employers and the education and training system;
- labour market demand largely derived from low skills and low productivity sectors.

395. In response to this situation, the 2011 Law on Education initiated a systematic process reform in all areas of the education and training system, placing an important role to building up the administrative capacity and policy making, promoting effective quality assurance mechanisms and improving the skills and competences of graduates for the labour market (LM) needs. However, this major reform that set a long-term agenda for upgrading the quality of education at all levels is not yet fully operational (*See: European Council Recommendations on Romania's National Reform Programme, June 2013, p7, p10.*).

396. Reflecting the educational reforms and the overall national priorities promoted by the Law of Education and objectives of the EU2020 Strategy, Romania has assumed the following targets. (*See Country specific recommendation, Objective 2020 and Romania assumed targets in DataFile.docx - Table 11*).

397. Achievement of these targets will represent a substantial improvement over the current position but will still leave Romania with one of the lowest shares of population aged 30-34 with tertiary education level or equivalent.

### **Limited availability and low participation in early and preschool education**

398. In 2011, only 2% of children aged 0-3 years were enrolled in nurseries, the overwhelming majority of children up to 3 years being under parental or family care. At the present time there is a gross shortage of affordable nursery care (*See: European Council Recommendations on Romania's National Reform Programme, June 2013, p7, p10*).

399. A hitherto improving trend in participation in preschool education by those between the age of 3 and the age for starting compulsory education stagnated at 82.1% in 2010 (significantly below the EU27 average of 92.3% and well short of the Education and Training 2020 strategic framework's benchmark of 95%) (*Source: Eurostat, UOE, 2013*). Inequalities of opportunities are sizeable, which means that socio-economic conditions of children matter for their academic achievement. For example, disparities between Roma and non-Roma are considerable. At least half of the performance gap in reading of minority language-speaking students could be eliminated, especially by reducing social segregation in schools.

400. There are significant ethnic (mainly Roma) (See: *Commission Services Position Paper, October 2012, p6; European Council Recommendations on Romania's National Reform Programme, June 2013, p6, p10*) and territorial disparities in participation. More than a third of Roma children (38.5%) do not attend kindergarten, compared with 13.3% of children from non-Roma households (Source: *Agentia Impleuna, 2012, The Roma in Romania*). Participation is also notably lower in rural areas mainly because the percentage of kindergartens coverage in the rural area is only 7.44% out of the number registered at national level in the school year 2012-2013.

401. Currently, there is a legal framework in force (Order of the minister of national education no 1540/2007) which prohibits the school segregation of the Roma children. In order to assure the implementation of this measure, the Ministry of National Education is monitoring this phenomenon on yearly basis (by school year).

402. Findings from different studies indicate that the vast majority of early childhood education and care programs (ECEC) have had considerable positive effects on cognitive development and that in relative terms children from socio-economically disadvantaged families made as much or slightly more progress than their more advantaged peers.

403. Investment in both infrastructure and institutional development for pre-school education remains very low and leads to limited availability, inconsistent quality and affordability of early and preschool education that has consequential effects on compulsory school enrolment and performance, and also represents a barrier to labour market participation by parents. The legal framework adopted in 2013 regarding the organization and the functions of nurseries requires new investments in institutional development and systematic initial and continuing training of staff for this level of education.

### **High non-enrolment and high early leaving rates in compulsory education**

404. Romania has a poor record with school enrolment and attendance in primary and secondary school. Non-enrolment in school is around 1.5-2% in the case of children at age 8, rising to 5-6% at age 10 (Source: *NIS*). Dropout rates are higher in the case of upper secondary level and in rural areas and also for the Roma students.

405. The main explanations for dropping out, identified both by schools and families, are economic. The crisis made it difficult for many families to bear the costs of supporting their children's education, especially at higher level.

406. A further cause of high early leaving rates is related to limited availability of informal alternative education such as School-After-School (SAS) or "Second Chance" for students at risk of early leaving. Similarly, there are limited opportunities for early leavers to re-enter the educational system because of its chronic under-funding and the lack of incentives.

407. The Roma population is the most vulnerable group to early leaving which affects Roma girls in particular, due to the poor living conditions and Roma culture and traditions. In recent research covering Roma children (7-11 years old) from families with



at least one child out of school, almost half (44.2%) is not attending any education or training programme.

408. Early school leaving (ESL) remains a persistent issue in Romania (*See: Commission Services Position Paper, October 2012, p6; National Reform Programme 2011-13 Progress Report, March 2013, p15; European Council Recommendations on Romania's National Reform Programme, June 2013 p7 and p10*), with a negative trend relative to the EU2020 target since the onset of the economic recession to 2010 (i.e. from 15.9% in 2008 to 18.4% in 2010) and a stationary trend from 2011 up to 2012 i.e. 17.4%, despite programmes developed at national or local level. Children and young people from disadvantaged backgrounds, students from rural areas (especially boys in 11-14 age group), the Roma and those who have special educational needs (SEN) are categories at highest risk.

409. There are considerable regional variations, with rates exceeding 20% in Central, South-East and South Muntenia Regions. However, high intra-regional disparities are also observed, counties with lower economic development and high share of rural population being particularly affected. The underdeveloped systems of educational and vocational guidance and counselling are additional causes for ESL phenomenon.

410. Romania commits that 2014-2020 ESI Funds in education sector will not envisage interventions which lead to segregation in schools. In addition, at the implementation level, a special focus will be given to analysing if the operations will lead to segregation. These types of operations will be excluded from financing.

### **Enrolment and participation in Initial Vocational Education and Training (IVET)**

411. Restructuring of the IVET system in Romania due to low enrolment and poor infrastructure has seen the progressive closing of schools of arts and trades since 2009, especially regarding agricultural high schools which number decreased during the last 15 years by over 80%. Those that remain are still generally considered unattractive due to the quality of facilities, equipment and staff. This has resulted in a continued reduction in enrolment rates.

412. An important upgrade of the IVET system is presently underway to promote skills acquisition linked closely with labour market demands and private sector needs; developing and supporting upper-secondary and post-secondary education; extending the use of a credit transfer system (i.e. between upper-secondary vocational education and the post-secondary education); providing the possibility to complete at least one vocational training programme by low-achieving secondary education graduates less than 18 years old, who have previously left school; and stipulating the acquisition of appropriate qualifications in accordance with National Qualification Framework (to be provided free of charge by state VET schools).

413. These new measures are expected to reduce the dropout rate in IVET and to support students from disadvantaged groups directly affected in the past by the closing of schools of arts and trades in Romania (poverty, isolated rural areas).

414.Non-enrolment and high ESL rates contribute to Romania's relatively low levels of attainment in compulsory education. For the affected individuals, life chances, access to labour market and social inclusion are considerably jeopardised. Failure to complete secondary education may result in ineligibility to take part in vocational training.

#### **Attainment levels in compulsory education lagging behind European averages**

415.Assessments by the World Bank and the OECD (*See: OECD PISA 2006 and PISA 2009*) reveal that, in spite of recent progress, the average Romanian student has considerable deficits to his peers worldwide in science, in maths, and in reading and comprehension. In 2009, between 40% and 47% of Romanian students were classed low achievers across these key skills - more than twice the EU average and far from the ET 2020 benchmark of 15%.

416.Romania faces challenges in terms of early school leaving and poor quality of education, which result in poor accumulation of cognitive and socio-emotional foundation skills. While there is no survey evidence for Romania on socio-emotional skills, the results from successive rounds of international student assessments in which Romania has participated signal considerable weaknesses in cognitive skills formation. Romania's performance in international assessments (PIRLS and TIMSS) has either stagnated or deteriorated, despite significant economic growth (GDP per capita) and, at least partial, improvement in socio-economic conditions.

417.The gender gap in reading and sciences is significant, boys having higher share among low achievers compared to girls. In terms of territoriality, there are significant disparities between rural and urban schools, associated with the local socio-economic circumstances.

418.Studies examining the underlying causes of the attainment levels (IEA 2012 (*–See: International Association for the Evaluation of Educational Achievement: Education and Training Monitor 2012*)) pointed out the need for improvement of quality and effectiveness of school governance and management – including policy monitoring and evaluation systems, curriculum and developing specific skills (like interpretation, applying and reflection on information in different life contexts). Different national programmes for piloting innovative models of teaching, learning and assessment of key skills in language and communication, mathematics and science, with the participation of researchers and teachers in further training programmes, are from this perspective a priority in Romania too.

419.The low basic skills and competences of students in Romania measured by national and international assessments are also correlated with the general poor quality of education and its dependency on limited funding sources. Thus, this poor quality is also a consequence of the reduced allocation on public and private educational institutions per pupil/student compared to GDP per capita, in 2009 (*Source: Eurostat UOE - Indicators on education finance. Note: compared to GDP per capita, all levels of education combined, based on full-time equivalents.*), in Romania being 21.6%, compared with EU27 average of 27.4% (the lowest level in EU27).

#### **Low participation in tertiary education and very low participation in adult lifelong learning**

## Tertiary education and research

420. In 2012, 21.8% of the Romanian population aged 30-34 had tertiary education (*See: Commission Services Position Paper, October 2012, p6; National Reform Programme 2011-13 Progress Report, March 2013, p16*), increasing significantly from the 2007 level of 13.9%. Female participation is some 7 percentage points higher than for males, although the gender gap is around half of that at EU level. However, enrolment in higher education from high school has fallen sharply from 53.6% in 2007/2008 to 35.2% in 2011/2012.

421. In addition to the declining birth rate, the revised baccalaureate exam has affected enrolments in tertiary education. Through most of the 2000s, roughly 80% of secondary leavers were able to successfully pass their baccalaureate examinations, which entitled them to attend tertiary education. Following a revision to the exam in 2011 and the adoption of more stringent anti-cheating procedures, the baccalaureate pass rate fell to around 40%. In combination with a declining entry cohort, these stricter enrolment criteria will only exacerbate diminishing enrolment levels, at least from the traditional tertiary education cohort.

422. Regarding the people aged over 25 years, the major causes of their non-participation in tertiary education, mainly relates to not continuing the studies after graduating secondary school, coupled with the need to complete them, due to job requirements, which necessitate a higher level of studies than the ones already held. To this it is added the individual need of progress in continuous training for increasing adaptability of this workers in the labor market, taking into account that are necessary elements of flexibility to organize the studies because these people are already active in the labor market and already have family commitments. A 2008 World Bank Study indicated that just 4% of the rural population aged 25-29 had achieved tertiary education background, indicating graduates of rural origins remain in or move to urban environments. In the midst of a major demographic shift and the target set in accordance with the European Union of having 26.7% of the population between 30-34 years old with completed tertiary education by 2020, Romania will need to improve its tertiary education attainment rate, both among traditional and non-traditional aged learners. A high-performing tertiary education sector creates and enhances human capital by expanding participation and facilitates the transfer and progression of students through all levels of the education system, especially from secondary to tertiary and on through life-long learning.

423. Under-representation of lower income students in the population of tertiary education graduates exposes the pervasive challenge that exists from lower admission rates to higher drop-out rates among poorer students. Among the most common causes for early departure from tertiary studies were poor relations with faculty and – in the more selective universities at least – the difficulty of the required coursework. Ultimately, financial concerns emerged as the most important and most consistently identified cause of dropout.

424. While approximately 45% of all Romanian youth live in rural areas, according to current statistics from the NIS, only 24% of students come from rural areas, a proportion which is roughly constant across both public and private universities. Urban migration of those youth that do complete tertiary education further exacerbates this rural-urban gap.

425.The persistent gap between urban and rural participation in tertiary education in Romania can be explained by various factors. The wide gulf in social and cultural capital between rural and urban youth is reflected in the participation gap—not just in tertiary education but in upper secondary as well—reducing the pool of students that are ‘eligible’ to continue through tertiary education. Indeed, only 37% of 19-21 year olds coming from rural households have completed a secondary school degree, compared to 68 percent of their peers in urban households. Moreover, rural students wishing to go on to upper secondary education are often forced to move from home to attend an urban school and face prohibitively high living costs.

426.The gaps in tertiary education attainment between rural and urban communities are even starker: only 7.1% of 25-29 years olds in rural communities had completed tertiary education in 2009, while the rate for the same age group in urban environments was 33.4%. This is likely due to migration patterns that are two-fold: universities tend to cluster in urban areas, bringing future young workers to urban centers; and industry tends to cluster where the human and infrastructure capital are most dense, which is in the urban centers. Together, these forces remove the most educated people from rural environments and make it increasingly difficult for rural areas to attract the most educated back to their communities.

427.Despite the steps made in improving the national policy and legal framework, higher education and research activities have faced funding constraints affecting the universities capacity to undertake reform. Higher education received only 1.4% of GDP in 2010, and in the following years a declining trend has continued (*Source: The Report of the National Funding Council for Higher Education, April, 2013*). A new performance-based funding policy and multiannual study grants have been stated as a priority but are not yet systemically implemented.

428.Links between universities, research institutes and the business sector are underdeveloped resulting in low relevance of the tertiary education curriculum with the current and future needs of the labour market as well as lack of income-generating opportunities for the Universities and research centres.

429.Although the number of doctoral graduate students is considerable, underfunding of the research, development and innovation field has resulted in a brain drain, with the majority of researchers who remain in the country and in employment being older workers.

430.According to Eurostat data for 2010, Romania is ranked last in the European Union for the number of RDI employees from the total active population (0.5%), compared to the European average of 1.5%.

431.There are several critical areas of the Romanian RDI labour market: restricted access of doctoral students and new postgraduates to a career in research; limited exchange of research staff between public and private organizations; and the modest presence of foreign researchers in the local academic environment. There are also a small number of foreign doctoral students in Romanian universities and a decreasing proportion of researchers among employees in the private sector.

432.A more recent study conducted in 2011 by the World Bank, UNDP and the European Commission Program, reveals that in regions of Romania with a significant territorial concentration of the Roma population, less than 1% of Roma young people aged 20-24 years, have got post-secondary studies, compared with 11% among non-Roma belonging to the same region and the same age category. Investing in a complete, educated, intellectual Roma group is an important factor for long-term social inclusion of the entire Roma communities, for which it is the key for intensifying the efforts in facilitating the access for Roma to higher education.

433.Mobility of students to and from Romania is another challenge for an attractive and quality tertiary education. While the proportion of Romanian students attending university in another EU country increased from 4% in 2007 to 7% in 2010, this remains half of the level aspired to in the relevant ET2020 benchmark. In parallel, enrolment of students from other EU Member States in Romania's higher education institutions also remains very low (0.2% in 2007 and 0.4% in 2010). The main causes for the low level of both Romanian and from other MS students refer to weak connection of universities with businesses quality of teaching and research, poor innovative content and teaching methods in Romanian universities and insufficient partnerships and cooperation and mobility programs, both transnational and national, between the private sector and other relevant actors, and also the lack of stable financial support. Businesses represent future employers for students and the quality of business-university relationships is important to students, particularly those that pay towards their courses.

### **Life-long learning**

434.Education rates in the working age population are low and reduce with age along with employment. Only 1.4% of the adult workforce participated in formal education and training in 2012 (See: *Commission Services Position Paper, October 2012, p6; European Council Recommendations on Romania's National Reform Programme, June 2013, p6, p10*), an improvement of only 0.1 percentage points since 2007 and less than a fifth of the EU27 average (Source: *Eurostat-LFS*) i.e. 82.9%. Moreover, the gap between this rate and the one indicated for Romania (to increase *the participation in LLL* up to 10%) remains high and even higher compared with EU target, 15% according to "Education and Training 2020".

435.Participation in training is particularly low among people with low level of education and professional qualification, among those working in micro businesses and among those aged over 40 years. In terms of **territoriality**, participation rates are lower in rural areas. Most of the farmers do not have the necessary skills to develop a viable economic activity. The farm managers rely solely on their practical experience, only 2.5% of them having a basic or full agricultural training (Source: *The Observatory for Permanent Learning Development, 2011*), highly below the European average (29.4%). The lifelong learning is in an early stage of development, which positions Romania on a lower place in the EU 27 (1.6% in 2011 compared to 8.9% EU27).

436.Low levels of education and training among farm managers is another factor hampering competitiveness. The study on skills mismatch in Europe (Source: *CEDEFOP, 2010*) shows that in Romania only one third of the workers matched their skills with the current job.

437. There is a clear correlation between educational attainment and employment, unemployment and particularly with inactivity. This has clear implications for risk of poverty in old age and also for efforts to improve the productivity and competitiveness of business in Romania.

438. The low participation in adult education and training in Romania, according to the report *Europe 2020 Romania: Evidence-based Policies for Productivity, Employment, and Skills Enhancement* (World Bank, 2013), can be explained by the existence of disconnects between employers, workers and education and training providers. These disconnects result in an unresponsive, under-performing lifelong learning system, in which employers, workers and education and training providers make choices and act in isolation, and do not sufficiently interact with each other. Expanding lifelong learning in Romania requires overcoming the mentioned disconnects by simultaneously addressing the constraints of poor information, weak incentives and low capacity.

439. The supply of skills is partly conditioned by the traditional requirements of Romanian industry, with its focus on labor intensive and low value adding activities. Nevertheless, since 2006, the gradual increase in the share of highly skilled labor force shows a shift to a more knowledge-based economy and an increase in medium and highly qualified jobs at the expense of low skilled.

440. The availability of skills has been adversely affected by the large scale emigration of skilled workforce in the past decade, a phenomenon that has also been reflected in the ageing of the workforce. More than two million workers emigrated to look for better jobs. Additionally, the Romanian working age population is expected to decrease by 30% by 2050.

441. Employers are required, according to the existing Labour Code, to create appropriate conditions to encourage their employees to participate in vocational training programs at least once every two years, for companies that employ 21 or more persons, and at least once every three years, for companies with fewer employees.

442. Employers with more than 20 employees are required to set out annual plans on vocational training (after consultation with trade union or employee representatives), which will form a part of the collective labour agreement of the company. When the employer does not provide funding for vocational training to an employee who is entitled to receive support, the employee is entitled to demand up to 10 days paid training leave or up to 80 working hours for vocational training (–See: *LLL Strategy, draft 1, December 2014, page 26*).

443. The proportion of enterprises providing vocational training to their employees also affects the availability of skills. This proportion is only 40 percent in Romania, compared to the EU average of 58 percent. Romanian micro firms are even less inclined than their peers in other EU countries to ensure that their employees participate in LLL activities.

444. Therefore, employers should be encouraged to invest in workforce development through CVT/LLL to improve productivity and resilience and to address the present low participation in adult learning (See: *Commission Services Position Paper, October 2012*,

445.Concerning the adult learning that does take place, most is job-related, in line with the EU27 average, however the actual participation in informal learning, is the lowest in Europe (18.8%) and just over two-fifths of the EU27 (*Source: Eurostat - AES*) average. The informal learning emplaced that does take place is generally not accredited or recognised towards formal qualifications. Career counselling and skills assessment can provide the opportunity for trust deficit recovery, especially for employees who have experienced failure in formal education. The skills assessment centres network is still geographically limited and the institutional and personnel capacity of the centres for skills assessment and certification requires further strengthening.

446.Low participation can be explained, in part, by the limited opportunities for individuals to access life-long learning in employment or on a flexible basis out of the workplace, for example in the Community Permanent Learning Centres envisaged under the new Law of Education. It can also be explained by inadequacies in partnership between the social partners, companies and training providers who have an interest in diversified and flexible CVET.

447.To involve the highest number of stakeholders in lifelong learning, the proposed measures on partnerships include those aimed at: developing and implementing quality assurance frameworks; promoting non-formal learning, especially within civic and cultural organizations; promoting vocational and employer networks; involving the media; supporting employers on the identification of training needs; and promoting apprenticeships.

448.As already highlighted within the employment and labour mobility analysis, most occupations have made changes in work content, regardless of the typology. In this context, the 2014-2020 allocations should focus on stimulating employers to develop skills of their employees in order to increase their employability and adaptability and also to organize apprenticeship schemes, on providing recognition of the their competences acquired in no-formal and informal contexts, guidance, support and mobility bonuses for the employees. The skills development should be in line with the needs of growth potential competitive sectors as well as with those traditional sectors where there is potential to grow, to increase added value or to sustain activity in the medium term by increasing the competitiveness through innovation and market development.

### **Slow insertion into the labour market following completion of education and training**

449.People leaving all levels of education in Romania experience a slow rate of insertion to the labour market. The rate of insertion increases with level of education. It is slowest among lower secondary school graduates, primary school graduates or those who have not completed any form of education. In 2009, only 14.6% of this group were in work one year after leaving the education system. The one-year insertion rate is greatest among higher education graduates (60.9%) and post-secondary graduates (technical or specialized craftsmen - 50%). An adverse evolution between 2006 and 2011 leaves Romania 11.6 percentage points short of the ET2020 benchmark of 82% graduate employment within three years of completing education and training.

500.The overall low demand for labour, low job mobility and competition from established workers limits the opportunities available to new entrants to the Romanian labour market. However, it is also clear that the education and training system is failing to equip students to compete (*See: Commission Services Position Paper, October 2012, p6; European Council Recommendations on Romania's National Reform Programme, June 2013, p7*). Where low achievers are concerned, compulsory education is failing to deliver basic employability skills (*See: Commission Services Position Paper, October 2012, p6; European Council Recommendations on Romania's National Reform Programme, June 2013, p7*). However, higher unemployment rates among tertiary education graduates (*See: European Council Recommendations on Romania's National Reform Programme, June 2013, p7*.) aged 20-24 than secondary education graduates of the same age demonstrates mismatch between the skills and competencies developed in tertiary education study programmes and labour market needs (*See: Commission Services Position Paper, October 2012, p6; European Council Recommendations on Romania's National Reform Programme, June 2013, p7, p10*).

501.*Prioritisation*: ESI Funds will be allocated for measures increasing participation, affordability and *quality of early childhood education and care, compulsory education* (–*Note: 2014-2020 ESI Funds in education sector will not envisage interventions which lead to segregation in schools*). This refers to children between 0-6 years old, particularly in the age group 0-3 years old and *targeting particularly groups at increased risk of ESL* (–*Note: ESL strategy envisages interventions for persons up to 25 years old, according to maximum age ESL European indicator*), *focusing on rural areas and Roma*. In order to reduce ESL, preventive and compensation measures should be implemented, including individualized support for pupils at risk of ESL, design and implementation of IVET type programmes (*Note: These programmes are dedicated to persons who doesn't completed the compulsory 8th grades and wants to follow IVET.*), aimed at helping youngers up to 25 acquire the basic skills needed for the integration on the labour market will be put in place. In rural areas, this may be provided through the small scale rural infrastructure provisions of the EAFRD.

502.In term of *Initial Vocational Education and Training (IVET)*, priority will be given to measures aiming gaining qualifications correlated to the labour market demands and private sector needs. Particularly attention will be given to targeting students from disadvantaged groups directly affected in the past by the closing of schools of arts and trades in Romania (poverty, isolated rural areas).

503.In terms of *Tertiary Education*, with a special focus on measures for: improving the governance and management of Higher Education institutions (*Note: Ministry of National Education is one of the priority ministries considered for the structural reform measures foreseen under TO no. 11*); improving the quality and labour market relevance of teaching and research; strengthening of partnership between universities, business and research; modernizing tertiary education through the development of post-graduate studies; and the internationalization of higher education. Moreover, the ESI Funds allocations will be in line with the needs of growth potential competitive sectors as well as with those traditional sectors where there is potential to grow, to increase added value or to sustain activity in the medium term by increasing the competitiveness through innovation and market development.



504. In view of the EU2020 target, the investments measures will focus on actions to increase the access of non-traditional students: those from rural areas, from Roma and other disadvantaged groups as well as adults presently aged between 23 and 27. The strategy also aims to increase the quality, flexibility and relevance of tertiary education to labour market needs.

505. Regarding *lifelong learning*, the support will cover measures developing LLL services at community level to provide training and education in basic and transversal competences. This includes digital skills, counselling and validation of prior learning, focusing on lower skills and rural areas. It includes validation of non-formal and informal learning; support for information, vocational training (short/initial training) and acquiring skills for farmers and for those involved in forestry. It also includes supporting measures to promote quality and accessibility of VET by strengthening the capacity of IVT (*–Note: ESL strategy envisages interventions for persons up to 25 years old, according to maximum age ESL European indicator. LLL strategy envisages interventions for persons over 25 years old, both IVET (with the exception mentioned at the footnote no.110 referring at “programmes are dedicated to persons who doesn’t completed the compulsory 8th grades and wants to follow IVET”) and CVET (also CVET for persons who already attended initial tertiary education.)*) and CVT providers to deliver VET programs correlated with the LM demands.

### **Modernisation under risk due to low digital literacy**

506. Computer skills are central to Romania's transition to a knowledge economy, to educational reforms such as "second chance" and lifelong learning and to the successful deployment of electronic public services. However, in 2011, Romania had highest share of population between 16-74 years old with no computer skills (61%) in the EU27 (*Source: Eurostat, Information Society Statistics*).

507. While 43% Romanians aged 16-74 used the internet at least weekly in 2012, 48% of all Romanians have never used a computer. There is a clear generational and educational divide in computer skills, positively correlated with age and educational level. Use of ICT in the classrooms is limited by the age and quality of the equipment, particularly in Romania's less developed regions (*Source: National Agency for Quality Assurance in Pre-university Education (ARACIP) research findings*). The National Competitiveness Strategy strand “Preparing Generation 2050” prioritises further investment in ICT hardware and software in Schools.

508. In terms of **territoriality**, the situation is similar in all regions of the country, except for the Bucharest-Ilfov where 33% of people have never used a computer.

509. *Prioritisation:* Improvement to the availability and quality of ICT hardware and software in schools will be prioritised in the context of the National Competitiveness Strategy strand Preparing Generation 2050; the National Digital Agenda for Romania. Special attention will be given to correlate the ICT hardware and software investments in schools with the appropriate training of the teachers in applying the modern techniques within the educational process.

510.The further development of *e-education* will enhance access to LLL, "second chance" education and to training for those who are not provided with opportunities in their workplace.

### **Outdated education and training infrastructure that constrains reform**

511.Romania is on the path towards a process of rationalising and restructuring the school and initial VET network aimed at increasing the efficiency of the system (*See: The Law of Education no.1/2011 provisions*). However, much of the education infrastructure continues to be outdated and unattractive and constrains the effectiveness of existing policies concerned with improving the quality of education and ensuring regular attendance (*See: Commission Services Position Paper, October 2012, p22*).

512.Of particular concern are rural schools and isolated schools in disadvantaged areas that have poor sanitary conditions (a third of rural schools do not meet the requirements of sanitary authorities), lack a proper water supply (almost half of rural primary schools), are not connected to sewerage with consequent risks to health (a fifth of rural schools), are inadequately heated (more than half of the schools in rural areas, and more than one third in urban areas, the most serious situation being recorded in primary schools).

513.The availability of specialised facilities and teaching equipment for disadvantaged students, including those with special educational needs, is poor.

### **Prioritisation of the infrastructure investments**

514.Improvements to the school/ kindergarten estate will be prioritised using specific criteria established at the national level in line with the priorities of the National Strategy to Reduce ESL, having regard to the EC/WB poverty mapping project. The projects will be targeting mainly the counties/areas where the enrolment rate is lower than the national/county average and/or the percentage of dropout or ESL is higher than the national/county average. Projects supported should be viable having regard to demographic trends and to local needs, especially the needs related to the labour market.

515.Supported investments should also complement the educational measures aiming to provide access and good quality of ECEC. Priority will be given to projects directed to communities with less than 85% enrolment in kindergarten of children between 4 and 6 years old and to communities with no facilities for ECEC for children between 2 and 3 years old, according to the local needs.

516.Investment in primary and lower secondary schools has the aim to ensure increased access, quality and attractiveness of these levels of education, thus contributing to higher participation, reduced ESL, high level of completion of compulsory education and better transitions to higher levels of education, with a special regard to children coming from disadvantaged rural areas and to other disadvantaged students, notably Roma and students with SEN. Priority will be given to projects aiming to improve educational outcomes in schools with low educational achievements and/or to ensure the necessary facilities for support/remedial/after school programs, as well as for Second chance programs.

517. *Investments in upper secondary education (technological high schools and IVET infrastructure and LLL opportunities)* will aim at ensuring high quality educational facilities, in line with employers' requirements, economic development trends and labour market demands. It will also allow using the school facilities for continuous training of adults, thus contributing to the LLL strategy objectives. According to local and regional needs, educational institutions will be supported to develop capacity, including infrastructure, for LLL services, through community centres for LLL or other institutions/services allowing for flexible education and training routes. In this respect, it will be supported new construction/rehabilitation/endowment/expansion of school buildings in which there will be set up community centers for lifelong learning at regional / county level.

518. *Investments in the higher education estate* will be prioritised in line with the National Strategy for Tertiary Education, having regard to the EU2020 targets for tertiary education attainment and graduate insertion to the labour market. The infrastructure investments will support the increase in relevance of higher education programmes for the LM needs and strengthen the partnerships between universities, business and research through simulated companies, pilot stations, testing laboratories, training labs in order to facilitate the entrepreneurial dimension besides the development of entrepreneurial programmes, spinoffs and start-ups. Further investment in higher education infrastructure and equipment will target the modernisation and internationalisation of the universities and their related research facilities identified, particularly those which will assure a better linkage with research and/or cooperation with the business sector. These investments will target the infrastructure dedicated to the modernisation and internationalisation of the universities centres by investing in research and innovation infrastructure and learning materials, new technologies and ICT support. These investments will be in line with the National Strategy of the Education Infrastructure, and by taking into account the orientation of ERDF only to those areas with growth potential that contribute to the increasing of the employability of higher education graduates in the competitive sectors and/or traditional sectors, but also in the regional/local growth potentials. Accordingly, the infrastructure investments will be complemented by the ESF measures dedicated to improve the access to participation in and attainment of disadvantaged people in higher education, particularly non-traditional students, those from rural areas, as well as Roma and other disadvantaged groups, and, also, to align the higher education to the LM needs.

519. The priorities for investment in tertiary education will be established according to the quality criteria that will take into account the following aspects:

- correlation with the demands of the labour market;
- creation and development of the research and technological transfer dimension in the fields of potential growth;
- development of entrepreneurial programmes, spinoffs and start-ups;
- development of instruments to improve the current methods of teaching-learning-evaluation, focusing on ICT.

520. In order to ensure the coherency and the consistency of interventions at the level of educational infrastructure in 2014-2020 period a strategic approach is needed, in line with the Sectoral Strategies regarding ESL, Tertiary Education and LLL, taking into

consideration the demographic trends in school population, by one side, and the economic development trends, by the other side.

521. These investments will be in line with the National Strategy of the Education Infrastructure. Accordingly, the infrastructure investments will be completed by the ESF measures dedicated to improve the access to participation in and attainment of disadvantaged people in primary, lower, upper secondary education and tertiary, particularly those from rural areas, as well as Roma and other disadvantaged groups.

### **The administrative capacity and the need for evaluating the impact of the education reform**

522. Council Recommendation on Romania's 2013 highlights the importance of building up administrative capacity and policy making as a pre-condition for a successful implementation of the education reform. This would imply measures targeting the decision-makers (e.g. representatives of MoNE, inspectorates, local government, school administration council, school managers etc), in developing their capacity in the areas of strategic planning and budgetary programming, impact assessment and monitoring and evaluation. These measures are considered as part of the framework of the public administration reform under the Ministry of National Education and its subordinated structures. This need is identified under the Administration and Government Challenge and will be addressed under TO11.

523. In order to strengthen the administrative capacity of the Ministry of National Education, it was considered to be one of the priority institutions for conducting functional reviews by the World Bank. Also, it is necessary to continue the efforts in implementing the measures foreseen into the action plans attached to the functional reviews.

### **Lessons learned**

524. The most important shortcomings identified from the implementation of the policies and programmes in the field of human resources could be summarized as follow:

- *The main areas of intervention were not addressed in a strategic and coherent manner.* There was a lack of strategic approach in identifying the sectors that need skilled work force on the labour market and the educational and training system. The strategic projects which targeted employment and social inclusion in rural areas indicated also ineffective coordination at regional/county levels. Targeting of specific needs in rural areas needs better coordination between funding sources in general as well as between local stakeholders.
- Complementarity between the investments in educational infrastructure projects financed within ROP and NRDP 2007-2013 and the projects financed within HRD SOP was not ensured, leading to reduced effectiveness and sustainability of the ESF projects dedicated to education and training. Launching of future investments in infrastructure should be coordinated with relevant ESF projects;
- *There was a lack of coordination between the resources allocated to the main areas of interventions and the expected impact of investments* (e.g. some interventions were under-financed, in allocating resources to doctoral and post-

doctoral students, no appraisal was made of the prospective benefits, including their potential to influence Romania's position on international market).

The absorption rate for SOP HRD in the current programming period indicates also the *need for changes in the legal, institutional and procedural frameworks for the next programming period*, such as: the simplification of guidelines for applicants; reduced documentary requirements; improvements in the public procurement legislation; the use of simplified cost options.

525. Another important area supported within 2007-2013 ESF intervention was related to the correlation between lifelong learning (LLL) and labour market needs. The main focus of the financial aid was to facilitate access to education, increase employability and educational attainment of human resources in a life cycle approach in the context of knowledge based society, focused on individuals and LLL related issues. The focus on young people is reflected by the fact that over 85% of participants were persons between 15-24 years old.

526. ESF funds have been used to support actions designed for the system comprising the development of methodologies, instruments, standards for the priorities identified (development of the qualification systems, quality assurance and management, improved education and training planning and management, effective decentralisation of pre-university education, validation and recognition of prior learning, development of inclusive education and training).

527. In 2013 there were significant achievements for the following indicators: Number of staff in education and training trained/ retrained, number of schools supported, number of CVT providers supported for the introduction of quality assurance standards.

### **Global overview on the achievements from the 2007-2013 programming period**

528. Besides the 2007-2013 programming period shortcomings identified under the Employment, Social inclusion and poverty and Education sections, there were also positive aspects related to the implementation of the policies and programmes in the field of human resources. These could be summarized as follow:

529. Considering the implementation challenges of the 2007-2013 period, there are systemic measures that have positively impacted on the absorption rate for SOP HRD starting with 2012. One of the main lessons learned is that simplification and transparency are necessary to ensure confidence.

530. Several measures contributed to improving the financial flows for the SOP HRD beneficiaries. Together with the introduction of the mechanism for settlement of payment requests, the processing of reimbursement requests/ VAT reimbursement claims was improved and simplified, and starting June 2013, all supporting documents accompanying the reimbursement request could be submitted exclusively on electronic format.

531. Another relevant measure ensured the simplification of the procurement procedure that can be applied by private beneficiaries, who can publish procurement notices in a

section of the website of the Ministry of European Funds without incurring any cost, in accordance with the transparency principle.

532. In order to ensure adequate transparency and build confidence among beneficiaries, MA SOP HRD and the IBs ensured the weekly update and publication of the Payments register and the Reimbursement requests.

533. An important set of measures that can be built upon during the new programming period relate to the launch of the calls for proposals, the evaluation and selection mechanism and the contracting phase. Following the identification of systemic bottlenecks in these areas and considering the risk of not fulfilling the targets of the program indicators, the main lessons learnt cover the following aspects: the documents accompanying the project proposals need to be simplified and paper documents should be kept to a minimum; the experts salaries need to be limited in the Guide to ensure adequate cost-effectiveness of interventions; the evaluation and selection grid needs to be adapted to the specificities of the calls for proposals launched to promote high quality projects; ongoing contracting of reserve projects is necessary.

534. Regarding the implementation challenges, it is essential to deliver training session for potential beneficiaries in order to prepare them to develop relevant and sustainable project proposals.

### **Main development needs**

535. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See file SWOT Analysis.docx*), **the main development needs** in the field of Education and training are:

- Improving the access, participation and good quality of ECEC;
- Strengthening accessibility, quality and learning achievements in compulsory education;
- Increasing the attractiveness of primary and secondary education, including IVET, also by using ICT;
- Improving quality and relevance of VET (both IVET and CVT) and tertiary education to labour market needs;
- Enhancing access to and supporting participation in tertiary education;
- Enhancing accessibility, participation and quality of learning provision for adults;
- Upgrading the employees skills in accordance with emerging skills requirements in priority sectors identified under National Strategy of Competitiveness and National Strategy for Research, Technological Development and Innovation 2014-2020 in order to increase their adaptability and productivity by stimulating their participation to LLL programmes (Note: Under the TO 8 are to be financed measures for workforce development targeted to job-seekers and inactive people, while under TO 10 (LLL) are to be financed measures for those employed. Also, in order to ensure a clear mechanism of coordination between the measures targeting the workforce development services of employers proposed under TO 8 and the measures to support the upgrade of knowledge, skills and competences of

the workforce at the initiative of employers under TO 10, this will be assured at the level of the Human Capital Operational Programme, as both of the measures are to be foreseen within the same Priority axis.)

- Support for building a system for LLL and for institutional development of community centres for LLL;
- Fostering lifelong learning and vocational training (short term/initial training) in the agriculture food processing and other growth sectors;
- Investment in the education and training infrastructure;
- Reforming the human resources management in educational system.

536.All the above mentioned main development needs are relevant for 2014 EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme concerning

- increasing the quality and access to vocational education and training, apprenticeships, tertiary education and of lifelong learning and adapting them to labour market needs and
- ensuring better access to early childhood education and care.

## **ANALYSIS OF DISPARITIES AND IDENTIFICATION OF THE MAIN DEVELOPMENT NEEDS FOR INFRASTRUCTURE CHALLENGE**

### **ICT infrastructure**

#### **General**

537.The Digital Agenda for Europe, a flagship initiative of the Europe 2020 Strategy, underlines the importance of broadband connectivity for European growth and innovation and for social inclusion and employment. The Digital Agenda sets ambitious coverage and speed targets and requires Member States to take measures, including legal provisions, to facilitate broadband investment. The Digital Agenda targets and Romania's position relative to these are shown below. It may be seen that Romania has particular gaps with the EU Targets in relation to NGA broadband access, overall internet use and digital literacy, reflected in significant shortfalls in e-commerce by business and citizens. *(See Current situation in Romania in DataFile.doc – Table 12)*

538.At European level investments in broadband infrastructure and broadband-enabled applications and services facilitate long-term sustainable economic development, economic productivity and growth, and job creation, and generate significant returns.

539.The Romanian authorities have taken into account the COM recommendation and programming the interventions from European funds under the three pillars regarding creating the networks, the services and address to the business and to the citizens.

540.The focus in this Chapter is on ICT Infrastructure, deployment of broadband Next Generation Network (NGN) which has a horizontal character meaning that it will ensure the support for all services, but the overall scope is to ensure that the infrastructure will

be in place and the access will be facilitated to permit ITC services to be delivered. In this regard, there are several directions that will ensure broadband take up in Romania and support the deployment of the services related to the infrastructure which are analysed under different challenges in Partnership Agreement:

- Under Competitiveness Challenge are analysed computer skills, e-Commerce, e-Culture, e-Government interoperability, cloud computing, open data and big data
- Under People and Society Challenge are analysed e-Inclusion, e-Health and e-Education

541.However, availability of adequate broadband services would be beneficial from a wider economic perspective, e.g. due to the positive spill-over effects on the local economies (such as increased economic activity, job creation and retention). The availability of such services would also improve access to an essential means of communication services to all actors in society, thereby improving social and regional cohesion.

542.From the point of view of Romania e-inclusion is very important to ensure people's access to ICT services and broadband infrastructure. The take up of the broadband will be envisaged through e-inclusion, e-services and e-government.

543.When it comes to differences in using ICT, there is a clear trend towards uniformity between the two areas of residence rural/urban, due to reduction of prices of computers in recent years, migration of population from rural areas to urban and increase of awareness of benefits offered by ICT among rural youth.

544.Ability to access ICT networks does not involve people capacities to use the Internet and ICT equipment or tools. The differences are due to:

- Low-income communities
- Regional discrepancies: the poverty rate in rural areas is much higher compared to the urban
- Social and physical disabilities

545.Informational local networks serving as knowledge centres, which provide information and services to local authorities, schools, public libraries, citizens and small enterprises are to be implemented in areas with disadvantaged communities that might face difficulties in adapting to the modern requirements of today's society, thus requiring assistance to improve the level of social inclusion.

546.E-inclusion can be achieved by providing access to ICT equipment and networks and providing ICT and skill development trainings. According to the best practices, there are three crucial issues in the development of e-Inclusion initiatives:

- Ensuring the public nature of ICT space: ICT should be public to ensure uniform access for the disadvantaged communities, especially in terms of income
- Promoting ICT communities that have a social mission, such as promoting social issues and aiming at social inclusion and e-Inclusion



- Ensuring the necessary infrastructure for the development of ICT skills: it should focus on providing Internet access and delivering trainings for acquiring ICT skills in most areas, so as to assure lasting and uniform regional development.

## **Broadband Infrastructure**

547. The total number of fixed basic broadband Internet access connections in Romania reached 3.8 million on December 31, 2013 and the penetration of fixed basic broadband Internet services thus reached at the end of 2013, 18.8% at 100 inhabitants. However, Romania is still recording the lowest penetration rate of fixed basic broadband connections from EU, which registered a value of 28.7% in 2012.

548. Experience shows that investments in infrastructure concentrated in urban areas and less in rural areas indicating that there was no interest from investors for these areas and mechanisms to encourage investment in rural areas need to be enforced.

549. NGA lines, as a percentage from the total broadband lines, reached 66% in December 2013, the highest percentage from EU and far above the average of 20%, while NGA lines, as a percentage from the population, reached 11% in January 2012, also, above the EU average (3%).

550. The penetration of broadband mobile technologies (higher than or equal to the 3G speed) reached 37.4% (7.1 million connections), below the EU average of 54.1%.

551. The difference between the urban and rural environments persisted, the penetration in the urban environment being maintained at a level several times higher than that from the rural environment – 60.28% as compare to 23.47% related to the number of households.

552. The source for all the data provided above is the Draft of The National Plan for Development of NGN Infrastructure and the Scoreboard Digital Agenda updated taking into account the ANCOM's Report on statistics regarding the communications, II 2013.

553. It is thus obvious that the latest developments of broadband private investments are made rather in NGN technologies than legacy technologies, operators actually “burning technological stages” and rolling-out the latest technologies developed worldwide. Yet such technologies require high investments that are delayed by the private sector for the less populated or less economically developed areas of Romania because of the long term recovery of such investments that make the investment case unfavourable to private investors.

554. Further to ANCOM statistics, it was identified a number of 2,268 localities where no broadband network is available, which represents 18.1% of the total number of 12,487 localities from rural environment. Although the competition and private investment in the electronic communication market increased considerably, this is concentrated in the urban areas; many rural areas are white areas, with no broadband coverage. Following the consultation process with electronic communications providers, no operator expressed intentions to extend in the next three years their basic broadband networks in existing white areas.

555. The risks associated to the population living in white areas regarding to the possibility to remain uncovered - not even basic broadband access – is partially prevent through public interventions. In 2007-2013 programming period, is expected to be implemented two types of projects for the deployment of basic infrastructure (meaning backhaul and backbone infrastructure with the possibility of further update NGA), respectively:

- the RoNET Project that covers 783 localities (which is estimated that can serve a total of 392,000 households) and
- projects financed through EARDF that covers a maximum of 120 projects (which is estimated that can serve a total of 18.929 households).

These projects will be fully implemented in 2015.

556. The RoNET Project will be enabled with backhaul/distribution networks with capacities between 100 Mbps and 600 Mbps (yr.1 after deployment). These networks will further enable/encourage local competition in the (private) development of local access networks, by providing affordable and equal-opportunity connectivity of NGA networks to the national backbone.

557. Regarding the projects financed through EAFRD, in the 2007-2013 programing period the Ministry of Agriculture and Rural Development of Romania undertook steps in order to reduce the discrepancy between the urban and rural area regarding access of households to broadband internet.

558. Funding is offered for the creation of broadband infrastructure (local loop and backhaul, where the backhaul infrastructure is not present in order for the local loop to be operable) in the localities where this type of infrastructure is not present (white areas). The minimum shared broadband speed is 1 Mbps for natural persons and 4 Mbps for legal persons.

559. In terms of identifying the market failure it is needed to be mentioned that, through their license, operators have the obligation to update their area of broadband coverage per locality each year. Therefore a digital map reflecting the broadband situation by technology in each locality has been developed and will be updated every year with inputs from operators. The map is publicly available on ANCOM site: (<https://statistica.ancom.org.ro:8000/sscpds/public/serviceCoverage#gmap>).

560. Although the public version of the map cannot be used to query more than one locality at a time, ANCOM and MSI use the underlying database to continuously monitor the developments in broadband coverage, prioritize areas of market failure and state aid eligibility.

561. Besides of the specific actions already planned by Romania for the development of basic broadband infrastructure as part of the 2009 – 2015 National Broadband Strategy are envisaged other broadband development incentives (demand side). These actions will continue to be rolled out as planned but will also be complemented in the next programming period by NGN-focused specific measures.

562.Public investments in 2014-2020, which will continue the public investments from 2007-2013, will take place in the framework of the National Plan for the Development of the Next Generation Network Infrastructure under the National Strategy Digital Agenda for Romania.

563.During the next budgetary exercise is needed for further developments of the national NGN backbone and backhaul coverage which could be enabled by authorities either by launching new state-aid schemes or by taking additional measures that will encourage private investment in NGN Broadband infrastructure.

564.Regarding the technology it is envisaged that networks will be integrated and, thus, complement existing wireless infrastructure constructed according to New Generation Wireless technology (e.g. LTE), allowing for mobility, and extending the levels of access coverage.

565.Moreover, as part of the National Digital Agenda Strategy for Romania, support it will be needed to implement monitoring mechanisms, to propose administrative and legal modifications (regarding authorisation of construction, elimination of any additional tariffs for the exercise of the access right, simplification of the procedures for the authorisation, etc.).

566.Romania choose several types of measures to accelerate the development of broadband communications networks and, particularly, of NGA networks, other than the direct financing of companies such as: to encourage access to the existing infrastructure, to improve the transparency and coordination in the relevant civil works, to simplify the authorization for new developments and to elaborate norms regarding to NGA infrastructure for new buildings. Also, it is to be mentioned that according to the new Infrastructure Law, effective January 2013, when constructing new buildings it is mandatory to endow/wire the building for next generation access.

567.Through ESIF (ERDF and EAFRD) it is envisaged that will be covered around 1000 localities that it is estimated that can serve around 500,000 households.

568.The overall scope of these measures is to ensure that the infrastructure and access to it will be in place and available in order to permit ICT services to be delivered.

### **Main development needs**

569.Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See file SWOT Analysis.docx*), **the main development need** is:

- overcoming market failure in the provision of NGA infrastructure and related services in line with The National Digital Agenda Strategy for Romania and with The National Plan for the Development of Next Generation Networks Infrastructure.

### **Transport**

#### **Outdated transport infrastructure which impedes development**

570.Romania, due to its geographical position, is an important European traffic node for passengers and goods, facilitating connectivity throughout the Central Europe, the Black Sea and the Caucasian–Caspian area. However, it has underdeveloped and outdated transport infrastructure and this is a major barrier to its development and economic growth.

571.Although there have been some major transport investments, the sector is still subject to problems regarding connectivity in each transport mode due to the backlog of investments, as well as administrative deficiencies in the maintenance and operation of the infrastructure.

572.Moreover, development of the infrastructure has lacked a strategic approach, founded on appraisal of development needs and realistic forecasts of goods and passenger volumes. As a result of unsystematic investment, the network continues to be subject to bottlenecks, to long travel times and to disparities in the accessibility of Romania's regions.

573.Accessibility is closely linked to economic and social development. The underdeveloped transport network and low quality of services are barriers to the development of small and medium towns, villages and communes. The negative effects are highlighted in low labour mobility and consequently high inactivity, limited access to basic services, high travel and transport costs and long journeys, all of which constrain competitiveness.

574.Romania has accessibility constraints and a high incidence of fatal and injury accidents due to poor quality of the road infrastructure, gaps in TEN-T connectivity between east and west of the country, the slow progress in railway modernization and low speed of passenger and freight trains. Some parts of the country are severely disadvantaged, in particular the northern regions along the borders with Ukraine and Moldova and the Danube Delta.

575.Furthermore, the Carpathian Mountains obstruct connectivity between the centre-west and the east and south–east. The Danube River also divides the south east of the country from the rest. Transport investments that cross these natural barriers have a very high development cost.

576.Romania ranks last among the EU member states from the point of view of the quality of overall infrastructure, the quality of roads infrastructure and the quality of railway infrastructure (*Source: Global Competitiveness Report 2012-2013*). The lack of quality transport infrastructure in Romania places additional cost burdens on the private sector impeding integration with the EU markets and reducing productivity.

577.Romania is currently elaborating the General Master Plan for Transport to 2020 and 2030 (*See: European Council Recommendations on Romania's National Reform Programme, June 2013*), which takes a multimodal approach to transport modelling and investment in order to justify the interventions in the sector.

578.The National Transport Model, that is part of the GTMP, will prioritise the investments in transport sector, for all transport modes, having economic analysis and

integration in TEN-T core network of investments among prioritisation criteria. The missing links of the Rhine-Danube Corridor (the former IV corridor – road and rail) will be completed at the end of 2020. The conclusions of the GTMP will be available in July 2014, but other reports produced in the interim have been taken into account in this Partnership Agreement and will support the elaboration of the Large Infrastructure Operational Programme.

### **An improving picture in road transport**

579. Although there has been significant investment in recent years, the Romanian road network has insufficient capacity in comparison to existing traffic flows, the movement of persons and freight being relatively slow and inefficient.

580. Out of a network of some 84,000 km in 2012, only 0.6% of length was motorways and approx. 20.0% was national roads. Just less than 80% was county and communal roads. The motorways are incomplete; the connection between HU-RO border and Constanta has yet to be completed to motorway standard. Investments made during 2007-2013 programming period represent a serious starting point for future interventions: the length of un-made roads has decreased by nearly 300 km, and macadam county road by over 2,200 km, while the asphalt medium and heavy type increased by 2,540 km.

581. The main problems of secondary roads network are a lack of ring roads in most of towns and villages leading to increased travel time, increased fuel consumption, pollution levels and hence transport costs, restricted carrying capacity (trucks of less than 20 tonnes trucks are supported on the large majority) with direct effect on flows of traffic and freight. Insufficient and even inadequate signalling gives rise to large disruptions in the normal traffic flow with a high risk of accidents, high percentage of non-upgraded roads with bridges in immediate risk of collapse.

582. Outdated customs infrastructure and management jeopardise the gains from investment in transport infrastructure. Delays at customs result in increased inventory costs for business reduced utilization from transport equipment and erode Romania's competitiveness in trade and the transit of goods.

583. Investments in infrastructure have to be done in the busiest locations, after a detailed assessment of the corresponding costs and benefits. Old customs infrastructure, old equipment and integrated systems for borders securization, and also insufficient mobile equipment lead to long waiting times in customs. Queuing of trucks could be notice at some border points, but the National Model of the GTMP could be used to get an overall estimate view of benefits of shorter waiting times, special surveys at the customs points would be needed to assess the location and frequency of bottlenecks. Border delays are a common occurrence in rail transport where there are changes from electric to diesel traction. Also, there are delays due to single track sections and to the requirement for periodic inspections of old rolling stock. The waiting time could be up to 35 hours.

584. Investment in customs infrastructure may be supported as part of network development and where there is evidence that delay is diluting the time-saving benefits from investments.

585. Investment priorities in major road infrastructure will be determined through the GTMP. Investment priorities as regards local road infrastructure will be justified on economic grounds in the relevant Regional Development Plans.

### **Uncompetitive rail transport**

586. The transition to more sustainable transport is obstructed by the unreliability and poor consumer experience in Romania's rail sector. In 2012, the national railway network had a length of 15,871 km. The condition of the railway network has been deteriorating since 1990. Almost 40% of the current railway network is assessed as life expired and around 70% of rolling stock is outdated. Inadequate maintenance of railway infrastructure, due to funding constraints, has reduced the efficiency of the network, causing speed restrictions and increased travel times and resulting in passengers choosing to use other modes of transport.

587. Between 2007 and 2012 rail traffic reduced by 11%, mainly due to the low quality of current services and not to an inherent unattractiveness of rail travel. If the trend of the last 22 years will continue, the passengers' traffic will dropped by 97% in comparison to the level of 1990. Scenarios of the National Transport Model forecast a decrease in number of passengers-km of 25% by 2020 and of 48% by 2020. Taking into account that the passengers' services on railway network represent 73% of the revenues of the railway infrastructure manager, the strengthening of railway transport depends on passengers' traffic. On the freight operation, the productivity of railway lines is of 1.2 million traffic units (TU) on km/year in comparison to an average of 3.1 million TU on km/year of other member states. So the freight volumes can be transported using a significantly smaller network. Furthermore, only 20-40% of the railway network is included in an appropriate maintenance plan.

588. Since 2011 the rail network has been rationalized under the terms of the Stand-by Agreement with the IMF and the EC. The present dimension of the railway network has to be reduced in order to reflect the financial resources available for maintenance and for increasing the services level. The optimum scale of rail network which can be efficiently maintained and operated and which will be useful for passenger and freight needs will be a key output of the GTMP. Investment priorities as regards lines, stations and rolling stock will be determined in the light of its findings and having regard to viable levels of service.

589. In the next period, the rail sector will be faced with a number of reform measures. This set of measures is focused around 4 reform directions, namely:

- Reduction of rail transport network managed by the CFR Infrastructure Company with an indicative percentage of 30%;
- The assignment of the public service contracts for the passengers rail transport through auctions and, also, the acquisition of the rolling stock, that will be financed from European funds, will be done through competitive and transparent procedures;
- Using performance indicators in monitoring public service contracts;

- Restructuring the CFR Infrastructure Company through the rethinking of institutional framework of the company and through implementation of commercial programmes.

590. The European standards related to the railway sector will be implemented in order to make the existing ERTMS system compatible with the other systems implemented in Member States. The deployment of the ERTMS in Romania is done in parallel with the rehabilitation of the railway lines. After the completion of the investments in the railway infrastructure and in the ERTMS system, which for the Rhine-Danube Corridor is estimated to be finalised in 2020, the Romanian authorities will elaborate the legislative framework which will stipulate that the rolling stock which enters Romania to be equipped with ERTMS system.

591. Regarding the CFR rolling stock, starting with the implementation of the ERTMS system, this will be equipped with specific equipment which will contribute to the achievement of an operational railway system.

### **Traffic safety below EU standards**

592. Road transport increased from 1 million vehicles in 1990 to 5.42 million at the end of 2010. Road accident fatality rates in Romania have been above the EU average since 2004. While the number of fatal accidents in Romania is decreasing, at a rate of 1.5% per annum, this is much lower than the EU average which has been falling by almost 5% per annum. In 2011, 43% of the total number of accidents occurred on national roads and 34% on roads within cities.

593. During 2011 there were 192 accidents on the railways that involved rolling stock and persons. The number of accident victims decreased from 441 in 2008 to 251 in 2011, but during 2005-2008 the increase was rapid (from 51 in 2005 to 441 in 2008).

594. The number of accidents in roads and railway sectors could be reduced, based on the identification of black spots and the main causes for accidents, through proper investments in signalling, railway level crossing, motorways and ring roads construction, as well as improving pedestrian and driver discipline.

### **Water transport with development potential**

595. The waterways and ports sector consists of 3 maritime ports (Constanta, Mangalia and Midia), 4 river – maritime ports (Braila, Galati, Tulcea and Sulina), 26 river ports, the Danube River (1075 km), and the connecting canals between the Danube River and the Black Sea.

596. Constanța is Romania's main maritime port, strategically situated to feed freight into the heartland of Central and Eastern Europe and has the largest container terminal in the Black Sea as well as having terminals that handle bulk commodities and a modern passenger terminal. Traffic through Constanța has increased since 2009 and in 2012 the total freight traffic was of approx. 50.5 million tonnes. Constanța serves both Romania and neighbouring countries via its railway network and the Danube River.

597.The full potential of Constanta port is not being realised due to some parts of the port needing rehabilitation and a lack of intermodal infrastructure to allow smooth transshipment of containerised goods. Slow journey times by road, rail and water to destinations in Romania and beyond are causing Constanta to lose market share to Adriatic ports.

598.Romania has 30 ports located on the Danube River and navigable canals. The potential of these ports mainly derives from industry situated in Craiova area and from cereal producers located in the south part of Romania.

599.In the context of future development of export markets for agricultural products and other bulk commodities, the Danube represents an important opportunity to connect the country to the European markets and to reduce the pressure of road transport that is more polluting. However, while water transport could have a considerable cost advantage over road and rail it suffers from poor reliability, partly due insufficient continuous depth of water in the Danube fairway. Moreover, sections of the canals between the Danube River and the Black Sea are in poor condition and require improvement to continue to operate efficiently.

600.Water levels below 2.5 m impede the tugs and loaded barge convoys to operate fully loaded in large convoys of 6 - 9 barges, so that a reliable, cheap and predictable service can be offered by the ship operators. Seven sections of Danube regularly fall below depth standard of 2.5m, required by “international waterway” as defined by the United Nations Economic Commission. There are two sections where problems are particularly acute. The first one is between km 345 and km 292 on the Romanian section and the second one is between km 576 and km 528 on the Bulgarian section. The consequences of low water levels can be severe: on Zimnicea sector, a journey of 150 km can take up from six hours to two days due to need of splitting the convoy and doubling back by the tug under low water conditions.

601.Any improvement to the Danube fairway will include mitigation measures to reduce the environmental impact on fish and shore life, which has to be balanced against the environmental benefits savings in fuel and emissions savings of water transport as opposed to rail and road transport. Any measure related to navigability on the Danube will be designed based on sound option analysis, considering the expected environmental spillovers and integrate, as far as needed, mitigation measures. The investments to be promoted will comply with the EU environmental standards.

602.Romania and Bulgaria share 470 km of the Danube. An inter-ministerial committee for sustainable development of inland waterway transport has been established, covering the RO-BG section of the river and to promote connectivity of the region.

603.The development needs in relation to water transport will be assessed through the GTMP and investment prioritized according to the findings.

#### **Inter-modality confronted by modernization challenges**

604.Because intermodal transport is generally competitive for journeys of more 300 km and the catchment of terminal is of 100 km radius, the opportunities for large, efficient



intermodal terminals are of major importance for freight transport. The development of intermodal transport is related to a number of factors including having a network of modern rolling stock, attractive journey times, reliable service and competitive costs.

605.Romania has limited private investment in private terminals in comparison to other European countries, due to inhibited growth in containerized freight. A lack of funding in replacing terminal cranes, renewing yard road surfaces, adopting modern systems and ways of working coupled with slow journeys and poor service have impeded the development of intermodal transport.

606.The Strategy for inter-modal transport 2020 (2011), identifies 26 rail terminals of 10,500 TEU and 19 private terminals that have as activity loading/unloading of containers. The terminals that are used for inter-modal transport have old equipment, from 1970-1980, the buildings and access roads being not in a proper condition.

607.Constanta is the focal point for around 80% of all intermodal movements by rail in Romania. In 2011, Constanta port moved 5.2 mil tonnes in containers. (*See quantity and market share for the intermodal movements in Constanta Port in DataFile.doc – Table 13*).

608.Use of intermodal freight reached a peak in 2007 when 912,509 containers (1.41m TEU) were handled through the Constanta port. Since then the effects of the economic downturn, and competition from other ports, have affected the sector quite considerably. The volume dropped to 353,711 containers (557K TEU) in 2010, 39% of the 2007 level but has increased slightly since then.

609.The port statistics show that 25% of all handled containers are empty and that the volume of imported loaded boxes versus exported loaded boxes is reasonably balanced. Data from the port show that empty running vehicles are currently at the 37%, the percentage being higher than 25%, which is in many Western European countries, suggesting that there is inefficiency in the current system.

610.The development needs in relation to inter-modal transport will be assessed through the GTMP and investment prioritized according to the findings.

### **A dynamic air transport sector**

611.International air services between Romania's main cities and the European hubs play an important role in supporting businesses, attraction of foreign investment and economic integration of Romania within the EU.

612.Domestic air transport accounts for 43.6% of the Romanian air market, while international transport accounts for 56.4%. The forecast traffic for 2013 shows an increasing trend of number of passengers for Henri Coanda airport, Timisoara, Cluj Napoca, Iasi and Baia Mare.

613.Most domestic air services have Bucharest or Timisoara as origin or destination, so air connectivity within Romania to these two major cities is good, but other regional

centres cannot easily be reached by air. The Nord - Nord-West of the country is isolated from the point of view of air services.

614. Priorities for investment in international and regional airports will be determined through the GTMP, and may be supported where economically justified (in terms of market and commercial feasibility), where market failure is demonstrated and where State Aid requirements are met.

### **Implementing issues**

615. Restructuring of implementing agencies (road and rail), improving their management, monitoring capacities, and procedures and their reorganization and development of personnel skills are, also, important tasks that need to be accomplished for supporting transport sector development. Improved capacity for planning and co-ordination is needed at national and regional level, for promoting socio-economic potential of regions and improving of accessibility and connectivity.

616. Performance Contracts, to a World Bank template, will replace existing Contracts signed between the Ministry of Transport and CNCFR/CNADNR, and will set up clear objectives for the companies, both for investment and maintenance (stemming from the GTMP), securing the afferent funding sources. This will improve the visibility of the companies, making them more efficient and accountable. The Ministry of Transport and the Department for Investment Projects and Foreign Investments have agreed an implementation date for the performance contracts, after the completion of the GTMP, and in line with the state budget for 2014.

### **Lessons learned**

617. An amount of 5.7 billion euro in EU and domestic funding was allocated for development of the transport sector in Romania, for 2007-2013 period, which represents about 23% of the overall allocated funds for NSRF for Romania. Shortcomings in the policy and strategy framework, as well as the lack of a transport master plan, deficient preparation of projects and governance deficiencies in the management of the agencies conducted to a low absorption rate, even although the development needs of the sector are huge.

618. Projects must have economic and financial viability, quality of their preparation needs strengthening, with high quality feasibility and EIA/SEA studies. Particularly, inland navigation projects such as river navigation and dredging, better use of navigational systems have to be carefully addressed, due to long time for their preparation and heavy EIA procedures. Furthermore, it is necessary to increase the capacity in professional and administrative support available to beneficiaries, to have standardized procedures and contracts. Permits issued by local authorities were sometimes delayed for reasons not under the beneficiary's control and some conditions stipulated in them were unreasonable.

619. Even the crisis affected the traffic of passengers and freight and the future financing of infrastructure, strategic planning, investment programming and budgeting have to be integrated in a better manner, in order to have better implementation results.

## **Main development needs**

620. For 2014-2020 period, all investment in major infrastructure projects, for each transport mode, will be based on the General Transport Master Plan. Investment in local infrastructure will be justified on economic grounds in the relevant Regional Development Plans.

621. The GTMP takes a multi-modal approach, including traffic safety, to transport modelling and investment, which means that the impact of investment in different modes of transport is taken into account in cost-benefit analysis and justification for each project. The result should be a map of the future transport infrastructure network, economically pertinent and sustainable. In this latter respect, 2% of GDP will be allocated each year for maintenance and investment projects in the transport sector. In addition, a special unit within the Ministry of Transport will be established to monitor the GTMP implementation. The Regional Development Plans will need to be consistent with the GTMP, taking into account justified regional and local transport infrastructure needs, to ensure connectivity needs and promotion of economic development.

622. Administrative data used in transport section is provided by MT. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See file SWOT Analysis.docx*), **main development needs** are:

- Improving the accessibility of Romania and its regions and their connectivity with markets thereby significantly reducing the obstacles to their development and diversification in the context of the GTMP; improving governance of the transport sector;
- Improving the sustainability of Romania's transport mix and the attractiveness alternatives to road-based transport.

623. All the above mentioned main development needs are relevant for 2014 EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme concerning promoting competition and efficiency in transport industries.

## **ANALYSIS OF DISPARITIES AND IDENTIFICATION OF THE MAIN DEVELOPMENT NEEDS FOR RESOURCES CHALLENGE**

### **Energy and climate change mitigation**

#### **Renewable energy generation and transmission**

624. Romania has a wide range, but a reduced quantity, of primary fossil energy resources and minerals, oil, natural gas, coal and uranium, as well as a significant potential in renewable resources. Romania presently has a much lower reliance on imported energy (21.7% in 2010) than in the EU27 (52.7%). This was due to measures for promoting energy efficiency (reducing consumption through energy efficiency is the most effective way to reduce dependence on imports and fossil fuels) and renewable energy (particularly hydropower potential).

625.The renewable energy sources and fossil fuels represent the main resources available to sustain the electricity supply for domestic consumers and businesses in the coming decades. *(See Romania's position relative to the targets established under the Europe 2020 Strategy in DataFile.doc – Table 14)*

626.Romania is close to meeting its **National 2020 target** of 24% of gross final energy consumption from renewables (having reached 22.9%, 2012) *(Source: NIS data mentioned into the draft of the Progress Report for 2011-2012 according to Directive2009/28/EC)*. The Romanian Energy Strategy for 2007-2020, updated in 2011, estimates the national potential of renewable energy at 14,718 ktoe, higher than Romania's imports of primary energy in 2010 (11,239 ktoe). The current annual total production of renewable energy sources is about 6,550 ktoe. The remaining unused technical potential is about 8,000 ktoe, with the following shares *(Note: Data presented are in line with National Strategy 2007-2020)*:

- Biomass and biogas 47%
- Solar energy 19%
- Wind energy 19%
- Hydro power 14%
- Geothermal energy 2%

627.The share of RES electricity production in total gross electricity consumption is relatively close to the national target (35% in 2015 and forecasted 38% in 2020), but there is a need to identify solutions in order to compensate fluctuations due to RES energy production.

628.In 2012, progress in installing wind and solar energy capacity was ahead of the schedule in NREAP. However, less progress had been made in installing biomass and biogas, reflected in the small contribution of these energy resources to reaching intermediate and 2020 targets, justifying public intervention. Both the installed capacity, as well as the electricity production, is well below the forecasted value for biomass and biogas (see Table 5.7.din NAPRE), indicating a still low contribution to the intermediate targets and to the mandatory targets for 2020 and which justify public intervention.

629.According to National Agency for Energy Regulation (NAER) in 2012, the production of electricity from RES which benefited by the green certificate promotion system is 3,365,035 MWh and has the following structure: 78.45% wind energy, hydropower 16.64%, 4.67% energy from biomass and 0.24% solar (electricity produced in hydropower plants with installed capacity above 10 MW are excluded).

630.Law no. 220/2008 has undergone a major change which temporarily postpones the granting of a number of green certificates for certain types of RES and approving measures to reduce the number of green certificates until 2017. Over time this will bring the installed renewable energy capacity into line with the targets set in the National Renewable Energy Action Plan (NREAP) in correlation with Romania's 2020 target for the share of energy produced from renewable energy sources in final energy consumption. Currently the reduction of the number of green certificates does not show

signs that a potential decrease in the interest for RES production will threaten the Romanian EU 2020 target on renewables.

631.The lines and the substations forming national transmission system were built, mostly in the years 1960-1970. Although the operator runs a maintenance program and imposed a sustained program of refurbishment and upgrading of facilities and equipment, 50% of stations are retrofitted, and 65% of the operating time is exceeded. Therefore, investment is needed upgrading electricity transmission networks in order to ensure security of supply and reduce losses.

632.With a wind power installed capacity of about 2500-3500 MW (depending on location, especially in Dobrogea and Moldova), there is a risk of unsafe loads on the transmission system.

633.Electricity and natural gas for households started to be liberalized on July 1st 2007, in Romania and 12 other EU countries. In Romania the deregulation of electricity prices is to be accomplished in six stages for industrial sector and ten stages for households by July 2017. Pricing of gas will be deregulated for industrial sector and for households by December 2018.

### **Energy consumption and efficiency potential**

634.According to Eurostat, in 2010 the average energy intensity of the economy of EU-27 countries was 0.152toe/1000 euro. The Romanian economy is now about 2.6 times as energy intensive as the EU-27 average (*See: Commission Services Position Paper, October 2012, p7; European Council Recommendations on Romania's National Reform Programme, June 2013, p9*).

635.According NAER the energy intensity for primary energy consumption at the end of 2012 was 0.37toe/1000 euro) while the 2020 target is 0.26toe/1000 euro. A gap remains between the targets set in the NEEAP and energy intensity achieved (0.11toe/1000 euro) which requires an increase in measures dedicated to energy efficiency.

636.With the deregulation of gas and electricity prices, the declining trend in energy intensity is expected to continue.

637.The final consumption of energy by sector (2010), and the potential of energy efficiency estimated under the Romanian Energy Strategy is as follow:

- Industry: 31% of total, energy efficiency potential 13.0%;
- Households: 36% of total, energy efficiency potential 41.5%;
- Transport: 22% of total, energy efficiency potential 31.5%;
- Other activities (trade etc.) from which agriculture and forestry is 2%: 11% of total, energy efficiency potential 14.0%.

638.Romania is committed to a **National 2020 target** limiting greenhouse gas emissions to +19% for non-ETS sectors over the 2005 level (with an overall 2011 emissions level of almost 13% compared to 2005). Projected growth of the economy will generate

increased demand for energy and hence, energy efficiency measures (*See: Commission Services Position Paper, October 2012, p5, p7; National Reform Programme 2011-13 Progress Report, March 2013, p15*) are an important pathway to controlling GHG emissions.

639.National Climate Change Strategy 2013-2020 adopted in 2012, states the importance of Decision 406/2009/EC on the effort of Member States to reduce emissions of greenhouse gases by 2020 under commitments.

640.Energy efficiency is being pursued within the framework of the National Energy Efficiency Action Plan (NEEAP) which proposes measures to reach an indicative savings target of 9% (compared to average 2001-2005) by 2016. The national target for 2016 was set at 13.5% of average final consumption taken from the period 2001-2005 (with a 2010 target of 4.5%).

641.Recent assessment shows that energy savings achieved by the end of 2010 (2,222 ktoe) exceeded by far the intermediate target for 2010 of NEEAP (940 ktoe) and are relatively close to the target assumed by Romania for 2016 (2,800 ktoe), but these values reflect a reduction of energy use due to the disappearance of large industrial consumers and recession as well as improved energy performance.

642.Although investments in energy efficiency can deliver significant climate mitigation and macroeconomic benefits contributing to sustainable development at relatively low cost, in the early stage of development of capital and energy efficiency markets, public funding may be needed to provide liquidity and assurance to investors (*See: Expert evaluation network delivering policy analysis on the performance of Cohesion policy 2007-2013 (LIDEEA) Year 2 – 2012, Task 1: Financial engineering, Romania - Report to the European Commission DG Regional Policy p13*). Financial instruments tailored to national circumstances and the targeted sector may be appropriate to securing energy efficiency investments on the required scale. Priorities and mechanisms will be determined on the basis of the ex-ante assessment of financial instruments.

## **Industry**

643.In period 1999-2010 the energy intensity of the Romanian economy decreased by 36.4% (about 4% per annum on average). This trend is partly due to improved energy efficiency and especially due to the structural changes in the national economy (disappearance of large industrial consumers).

644.Romania has committed itself to a target of primary energy consumption of 43 Mtoe in 2020 which represents a 19% reduction compared to the forecasted primary energy consumption (10 Mtoe corresponding to PRIMES 2007 scenario).

645.The EBRD's study *The National Action Plans for Energy Efficiency Sector in Romania– SWOT analysis of results, Recommended Energy Efficiency measures under NEEAP III*, finished in March 2014, shows that there still remains a target of 0.82 Mtoe for 2020 and it takes into account the reduction in energy consumption due to the economic crisis, the effect of macroeconomic restructuring in reducing the share of

energy intensive industries in GDP and energy efficiency measures implemented in the period 2007-2013.

646. Directive 27/2012 confirms the significant potential for primary energy savings of high-efficiency cogeneration. According to the Romanian Energy Strategy 2007-2020 updated measures should be introduced to promote cogeneration rated less than 8 MW, to boost energy distributed generation.

647. After a period of decline due to the economic crisis, industrial demand for electricity and heat production is again growing. Increasing use of high-efficiency cogeneration was reflected in the commissioning of new CHP capacity (approx. 15MWe biomass and approx. 90MWe fossil fuel) in 2009-2011 (See: *Romania Report pursuant to art. 6 (3) and art. 10 (2) of Directive 2004/8/EC of the European Parliament and of the Council on the promotion of cogeneration based on a useful heat demand in the internal energy market and amending Directive 92/42/EEC*) and the early retirement of inefficient cogeneration units installed before 1998. The greater use of CHP systems by industrial consumers will also lead to the reduction of transmission losses. Support of ESI Funds for investment in industrial CHP will be subject to assessment of the funding gap and the development of a State Aid scheme.

648. Systems monitoring distribution of electricity and heat in industrial processes provide detailed information on the efficiency of energy devices and power supply networks.

649. Taking into account the actual experience, complex energy audits that can determine in detail the structure of energy losses in industrial platforms are very expensive because of the lack of equipment related to deep metering for most consumers.

650. Measures aimed at installing complex systems monitoring or completing the existing ones addressed to the industrial customers, in Non-ETS sectors, with total energy consumption over 1000 toe/year (which may be large or SMEs).

651. In addition to the immediate reduction of losses it provides a tool to quantify the potential savings and the location of the applications points in order to maximize the energy efficiency measures that can be applied subsequently to the consumer. Furthermore, installing a monitoring system offers the opportunity to know on-line energy situation of industrial platforms and to quantify the effects of measures to increase energy efficiency at a frequency much higher than achieving an energy audit.

## **Services**

652. The public and private services sectors consume about 11% of the final energy in Romania. With the growth of the services, their share of the energy consumption tends to increase. The energy consumption in the sector is mainly through buildings where the services are provided and these are discussed further below.

## **Residential and non-residential buildings**

653. Buildings are a major consumer of energy and a major contributor to greenhouse gas emissions. More than 75% of Romania's residential stock was built following World War II. In particular, Romania owns the largest number of blocks of flats in the Central Europe. Some 2.4 million apartments were built before 1985 and are in need of renovation thermal insulation (See: *Commission Services Position Paper, October 2012, p5,p7; National Reform Programme 2011-13 Progress Report, March 2013, p15; European Council Recommendations on Romania's National Reform Programme, June 2013, p9.*).

654. Non-residential buildings comprise diverse types such as offices, hospitals, schools, cultural buildings, etc. Preliminary data estimates that in 2010 there were 5,982 educational buildings, 4,342 cultural buildings, 51,269 buildings for health services, etc.

655. During the communist era, public buildings and blocks of flats were constructed to low standards of energy efficiency. Minimum requirements for energy efficiency started to be applied only from January 1998. Transposition of the Directive 2010/31/EC on the energy performance of buildings is completed (Law 159/2013).

656. The residential and tertiary building sector (offices, commercial spaces, hotels, restaurants, schools, hospitals, sports halls, etc.) are the highest energy end-use consumers when heating, lighting, household appliances and equipment are taken into account. As regards to the energy performance of non-residential buildings the energy consumption is higher than of residential buildings (Note: *This conclusion was drawn from a Jaspers project implementation with the Ministry of Regional Development and Public Administration.*).

657. The Romanian authorities have assumed responsibility for transposing Directive 2012/27/EC and for implementing the requirement to renovate 3% of the total floor area of "heated and/or cooled buildings owned and occupied by their central government".

658. The sources of funding and financial arrangements are to be established, and an inventory of buildings owned by central government is currently being carried out.

659. According to Energy Efficiency Directive another issue is the consumption based on metering of electricity, gas, heat hot water. Smart metering systems have potential to reduce networks losses and will allow the consumer to participate in the energy market.

660. Intelligent power distribution has become a priority for ANRE, based on the provisions of Law 123/2012 electricity and natural gas, which has launched a public consultation on the adoption of a law designed to regulate the deployment of smart metering nationally by 2020.

### **District heating**

661. The efficiency of the district heating transmission and distribution systems is very poor, threatening the sustainability of the systems in many cities. In 2010 the average heat losses in the distribution networks were 29% (See: *Challenges and opportunities for centralized supply of heating in Romania, PwC 2011*). To be sustainable, the system



should not have higher heat losses than about 10%. Bringing the losses to that level would save about 400 ktoe/a primary energy.

662.Current systems are characterized by outdated equipment with low yields (the co-generation) and losses in transportation and distribution of heat (between 10 and 50% in some cases). Low efficiency is due to the disappearance of parallel industrial use of steam and hot water that has lowered service quality, resulted in increased user charges, and has imposed an unsustainable burden on local budgets.

663.Rehabilitation of seven district heating systems was supported with Structural Funds in 2007-2013. In order to ensure an optimal completion, support for further investment (estimated at 120 million euro) is proposed in 2014-2020. In the same time will be envisaged to be correlated to the renovation thermal insulation of the corresponding buildings. Also, it will be needed to support the rehabilitation of the district heating system in Bucharest from ESI Funds.

### **Lighting for public space**

664.Lighting for public space accounts for a large proportion of public energy use in every locality, especially in cities. Reduction of energy consumption and of CO2 emissions could be achieved by the application of innovative technologies and approaches. Assuming that the electricity consumption in the public buildings represent maximum 15% of the total, the electricity consumption for public lighting (without the public buildings) represent between 544 and 624 GWh/year.

665.According to information provided within the NEEAP for a conservative average savings potential of 30%, the annual energy savings obtained by improving energy efficiency in public lighting will represent at least 187 GWh/year (equivalent of 76 ktCO2 emissions reductions annually).

### **Transport**

666.Across the EU, transport remains the sector with the greatest growth in GHG emissions, reflecting growing demand for passengers and goods transportation, as well as preferences for road transportation instead of other less polluting modes (See: *Commission Services Position Paper, October 2012, p7; European Council Recommendations on Romania's National Reform Programme, June 2013, p9*). Between 1989 and 2011, GHG emissions from Romania's transport sector increased by 92.5% (Source: *National GHG Inventory of Romania, 2013*). Urban transport in Romanian cities is largely aged and reliant on bus and minibus services (See: *Commission Services Position Paper, October 2012, p7*). The rehabilitation and renewal of urban transport systems, potentially covering trams, trolley buses and the introduction of intelligent transport, is expected to be a feature of integrated sustainable urban development projects in several cities. In the sustainable mobility plans, in parallel, will be taken measures to discourage car use. Such developments will make a significant contribution to socio-economic objectives, climate change, and air quality increasing and energy efficiency in addition to place competitiveness.

### **Agriculture, forestry and fisheries**

667. Agriculture and forestry can make an important contribution in the fight against climate change, a phenomenon reflected in Romania high temperatures, long droughts and floods and impacting upon the yield of agriculture and forestry, valuable habitats and ecosystems as well as on local communities.

668. GHG emission in the agriculture sector in 2011 was some 18.94 million tonnes, CO<sub>2</sub> equivalent representing 48.4% reduction compared to 1990 level and 10% reduction compared with 2005 level. In 2011, agriculture sector generated approximately 16% of Romania's total GHG emissions (excluding LULUCF), close to the EU average of around 14%.

669. The main sources of emissions are enteric fermentation (methane emissions (CH<sub>4</sub> – 45.14%), manure management (CH<sub>4</sub> and N<sub>2</sub>O – approx. 9.5%), rice cultivation (CH<sub>4</sub> – 0.1%), agricultural soils (N<sub>2</sub>O – 47.9%) and combustion of residues from agriculture (CH<sub>4</sub>, N<sub>2</sub>O, NO<sub>x</sub> and CO – 0.9%). The main factors in the reduction of GHG emissions from agriculture are the reduction of livestock, the decreasing rice crop area and fertiliser use. Other significant factors contributing to a low level of GHG emissions in the agriculture sector are the low level of mechanization in Romanian agriculture together with small areas covered by greenhouses.

670. There is potential to mitigate GHG emissions and to contribute to climate change management through measures in agriculture and forestry sectors including:

- agri-environment and organic farming measures, which will contribute to decrease the level of chemical fertilizers usage and load of grazing livestock per unit area, improve the manure management, reduce the use of mechanised equipment, etc.
- afforestation of agricultural and non-agricultural land which will reduce water runoff and increase carbon sequestration.
- watershed management on agricultural and forestry land which will help to reduce floods and increase soil protection, given the growing number of extreme weather phenomena that are expected.
- further development of the under-used potential from biomass and biogas for renewable energy production;
- adoption of new fuel efficient technologies and renewable energy production and consumption in agricultural, food processing and forestry sectors.
- increased energy efficiency of the fishing vessels and processing units.

### **Transmission of energy (natural gas)**

671. Around 69% of the total length of the National Gas Transmission System (NGTS) has an outdated normed duration of operation.

672. At present, the NGTS is inadequately configured to match future sources of supply and demand and to ensure security of supply. The NGTS operator is engaged in several projects to facilitate interconnectivity with the natural gas transport systems from neighbouring countries (Hungary, Bulgaria, Moldova). For some of them, ESI Funds

support is needed for investment in a proper way. Thus, it is necessary to build new gas compression stations, to upgrade some pipeline sections and build new ones, in order to ensure the adequate system pressure for the bidirectional operation of interconnections. However, in the context of the European approaches regarding the provisions of new sources of gas supply, SNTG operator envisages investments in procuring and transporting to the internal and external areas of gas consumption coming from the implementation of the AGRI project and/or off-shore mining in the Black Sea.

## **Lessons learned**

### **Energy**

673. Although requests for support of energy projects have exceeded the initial Structural Funds allocation, a number of beneficiaries claimed financial problems because of the deduction of provision related to the green certificate scheme. For the next period policy consistency must be ensured between national and Community Funds.

674. As the output generated from local renewables projects increases, their connection with the national power grid and/or storage will be important to enable surplus energy to be used more effectively and for the full potential of renewable energy to be realised.

675. For 2014-2020 a better dialogue is needed between the Romanian authorities and COM services and also an adequate framing of actions in the operational programmes.

676. For energy efficiency projects in industry, it was found that:

- the banking sector is reluctant to finance projects in this field.
- where the payback time exceeds 3 years, companies prefer to allocate their available capital to core investment or immediate modernization of their production processes.
- a focus on efficiency gains in industrial projects fails to take account of the main motivation for such reinvestment being enhanced competitiveness; accordingly mainstreaming of energy efficiency requirements where productive investment is being supported is liable to be more effective.

677. There is a need to better align energy efficiency and other public policies (e.g. green certificates and support for co-generation). Energy efficiency in buildings schemes, financed by Structural Funds, which require co-funding from beneficiaries, experienced low take-up because previously there were schemes providing 100% public support.

678. Other lessons learned refer to the need:

- for a coordinated bridge financing system
- to create facilities in order to counterbalance the lack of financial resources for LPAs;
- to correlate the legislative framework in the areas covered by the ESI Funds support measures (e.g. green certificates, support for cogeneration);

- to better correlate and more clearly specify the delimitation between programs;
- to identify new types of eligible applicants or focus on a specific category of beneficiaries (e.g. large energy consumers from industry, producers of less exploited renewable energy types, manufacturers of heat from renewable resources); for a better preparation of major projects.

### **Main development needs**

679. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (Annex I), **main development needs** are:

- Promoting the production and distribution of energy from RES;
- Promoting the use of high-efficiency cogeneration based on useful heat demand;
- Improving energy efficiency by developing smart distribution systems;
- Assuring the sustainability of municipal district heating systems by reducing heat losses on the network;
- Enhancing energy efficiency in the residential and public building stock and the public realm, including in public lighting;
- Improving the energy efficiency of transport, including urban transport systems and the fishing vessels and processing units;
- Reducing greenhouse gas emissions in urban areas by implementing sustainable urban mobility plans and low-carbon strategies for small cities;
- Improving energy efficiency and security of supply, including gas interconnections, by developing smart transmission systems;
- Reducing greenhouse gas emissions in agricultural and forestry sectors;
- Enhancing carbon sequestration particularly in agriculture and forestry.

It is to be mentioned that all investments in energy will comply with the EU environmental standards.

680. All the above mentioned main development needs are relevant for 2014 EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme concerning:

- Improving and streamlining the energy efficiency policies.
- Improving the cross-border integration of energy networks and enabling physical reverse flows in gas interconnections.

### **Climate change adaptation, risk prevention and management**

681. Romanian territory has an ample exposure to climate change being affected differently by climate-related extreme events. Romanian regions have distinct physical, environmental, social, cultural and economic characteristics that result in different sensitivities to climate change. The key risks associated to climate changes are floods, drought and coastal erosion.

682.It is a reality that a region with a high climate change impact can become moderately vulnerable if it is well adapted to the anticipated climate changes. For this reason action concerning adaptation to climate change will be developed in the framework of The National Climate Change Strategy for 2013-2020, adopted in July 2013 and to be complemented by the National Action Plan for Climate Change.

683.The strategy encompasses a comprehensive overview and proposes key measures and actions for various sectors falling under mitigation and adaptation objectives and has two main directions for action:

- reduction of greenhouse gas emissions and depletion of the soil carbon stock;
- adaptation to the negative effects of climate change through actions at national&sectoral level.

684.Adaptation to climate change will be also addressed in agricultural sector by a range of non-structural actions related to improve knowledge transfer and information on: energy efficiency in agricultural equipment, adaptation tools, including environmentally sustainable new practices, climate change risks information.

685.Fostering organic farming and other environment and climate friendly land management practices will also contribute to adaptation to climate change by using locally adapted crops and extensive agricultural methods. The lack of funds has as well negatively influenced the infrastructure for adapting agriculture to climate changes while the Romanian agriculture continues to be intensively dependent onto the meteorological conditions, which generates high fluctuations in the farmers' income. The existing irrigation systems are largely degraded, their use being costly for farmers; therefore, even if the agricultural area equipped for irrigation (3.1 mil. ha in 2012 meaning 23.3% of UAA) has not changed significantly, the area actually irrigated was of just 1.2% of UAA. The rehabilitation and development of secondary irrigation systems will be performed through water users associations and federation of water users associations. The proposed water users' associations' irrigation projects must address first of all those areas where the irrigation systems were identified as being economically viable in accordance with the national Strategy for investments in irrigation sector in Romania (2011), and where the relevant River Basin Management Plan permits these investments and the investment will not affect the water volume. It will be also, ensured that the investment fulfils the criteria required by EAFRD Regulation art 46, including in terms of the investment delivering improved water efficiency. These criteria also refer to environmental and water sustainability. The environmental sustainability will be ensured by EIA and EA (where necessary) required procedures and by meeting all other relevant national environmental legislation. The irrigation system investments will contribute to the water savings and will provide economic and environmental benefits.

686.The Romanian global objective for 2020 in the risks management sector is to further reduce the vulnerability to all risks, while improving the quality of emergency services, based on national risk assessment and developing the administrative capacity to respond to disasters.

687.The national risk assessment, which will be realised until 2015, will promote a holistic approach on risks focussing on the risks generated by climate change, such as floods, and drought, coastal erosion and forest fire.

### **Assessment and mapping of risks**

688.A set of working instruments for national risk assessment will be developed under the project “Support for fulfilling ex-ante conditionality 5.1 – National Risk Assessment”. This project will provide also a first report on the risks confronting Romania, including a prioritization of risks.

689.The project will build upon the substantial progress made in recent years with support from Structural Funds in assessing and mapping specific risks.

690.In the Romanian sector of the Danube floodplain, substantial progress has been made with developing hazard and flood risk maps under the Project Danube FLOODRISK, started after the historic floods in 2006 and finalized in 2012. Currently, MECC coordinates the development of hazard maps in each river basin, funded by European funds through the SOP – Priority Axis 5 at present being 80% complete. Work on other risks evaluation is at an early stage of development.

691.However, a National Working Group for Risk Assessment (GLERN) is to be established, consisting of experts in risk assessment from central authorities and independent experts from the academic and private sectors, which will have responsibility for coordinating efforts in national risk assessment.

### **Identification of risks**

692.During the past decade, Romania has experienced numerous emergencies. Recurrent floods, forest fires and drought have caused extensive loss and damage across the country. In some situations, the national response capacity was exceeded by the severity of the disasters.

**Floods** (See: *Commission Services Position Paper, October 2012, p8*)

693.In Romania approximately **1.3 million hectares** are subject to floods caused by natural origins, affecting almost **500,000 inhabitants**. In terms of **territoriality**, the main areas affected are located along the main rivers, Danube and the Romanian Plain (Siret, Buzau County; Arges, Olt, Jiu Rivers) and the Banat-Crisana Plain rivers (Somes Cris, Mures rivers).

694.In mountainous and hilly areas where river beds are steeply sloping (100-200 m/km) and in narrow floodplains, powerful floods may be accompanied by intensive erosion of river banks, resulting in landslides that may bar valleys.

695.The North, West and Central areas of Romania have recorded an increased incidence of flooding that is attributed to climate change.

696. During the last 10 years, almost every year, significant floods and flash floods have occurred. 142 people were killed by floods, 27,000 houses and thousands of km of national roads were destroyed and hundreds of thousands hectares of land were inundated. The total costs of damages are estimated at around 6 billion euro. The major floods of 2005 and 2006 had a particular impact in terms of population affected, loss of human life and destruction to infrastructure and private property.

697. Flood maps have been prepared for each river basin, with forthcoming technical studies identifying the measures required to further reduce the exposure to the flood risks of the vulnerable activities.

**Drought** (See *Commission Services Position Paper, October 2012, p8*)

698. The frequency and severity of drought in close relation to climate change are projected to increase significantly. In southern and eastern Romania, a reduction of 20% in water resource has been estimated. Regions that are currently dry are expected to become drier and could be affected by desertification in the near future.

699. In terms of **territoriality**, most affected areas are the Oltenia Plain and the Bărăgan Plain which are today the most vulnerable areas to water scarcity and where approx. 40.6% (7,740,510 persons) of country population lives (*Source regarding the number of population: NIS, 2011*). The Bărăgan Plain is Romania's main agricultural area and the climate change effects could affect food security. Average yields of various crops in drought years are only 35-60% of the potential. In 2011-2012 drought strongly impacted about 5.9 million hectares, with the level of losses varying over different area and culture. The scale of the losses covered a wide range -18.6%, for wheat yields, -80.2% for rape, and -46.1% for corn yields. This had a severe impact upon farm incomes.

700. Drought has significant impacts beyond agriculture by impairing the regularity of the public water supply in affected regions and the power generation. In 2012, reduced water levels, the hydro-energy production scheduled for 2012 was shortened by c. 2,277 GWh. In addition, low water levels affect the cooling capacity at Romania's nuclear power stations, resulting in reduced operating levels and safety margins.

701. The Danube Delta Biosphere Reserve was also affected by the drought, with up to 56 km of silted canals, a reduction of the water surface, a reduction of the water depths in lakes and pools and an enhanced danger of eutrophication of these lakes.

702. Additionally, higher temperatures in Romania due to climate change significantly impacts on health condition especially in urban areas.

703. Besides these losses mentioned before, major losses due to the drought and its effects occurred in the forests areas, being affected 1,483 hectares of forests, 393 hectares of sapling plantations, the loss of about 1,800 tonnes of wild fruits have been recorded.

**Forest fires**

704. Historically, Romania did not experience a very high risk of forest fires. However, the data sets from the past 26 years reveal an increasing incidence since 2000 (with more

than 300 wildfires occurring in 5 out of last 13 years) and reaching a historical maximum of 911 fires (2012) in forests with a total area of 6,624.5 ha affected.

### **Coastal erosion**

705.Climate change affect Romanian Black Sea shore and create a set of vulnerabilities which determine serious beach erosion problems at the rate of up to 2.0 m per year. Over the last 35 years the shoreline has drawn back inland between 180 to 300 meters and 80 ha/year of the beach has been lost. Main causes include reduction in the sediment carried by the Danube River and discharged into the Black Sea (due to the many retention works developed within the Danube River Basin) and the influence of the works carried out at the mouth of the entrance Sulina Channel and for Midia, Constanta and Mangalia harbours. Also, the reduction by 50% of the shellfish stocks has contributed to the reduction of bioorganic sand deposited on the Romanian shoreline. The studies reveal that without proper measures against coastal erosion, the shoreline is expected to draw back by 70 m in the next twenty years.

706.Many cliffs are also being eroded by wave abrasion at their feet and/or slip failure in their upper part. The cliffs have been eroded at a rate of about 0.6 m per year in the places where no protective measures have been implemented.

707.Constanta and Tulcea counties have 458,000 inhabitants situated in the coastal area and therefore are potentially affected. The investment during 2014-2020 to protect the population, tourism and transport assets will be prioritised in the framework of the Master Plan on Coastal Protection and Restoration. The investments to be promoted for reducing coastal erosion will comply with the EU environmental standards.

### **Other risks which Romania is facing**

708.Also, Romania is exposed to **earthquake** (Note: 75% of the Romanian population (cca. 15 million inhabitants), 60-70% of fixed assets and 45% of critical infrastructure are exposed to some level of earthquake risk. The impacts of the last severe earthquake (4 March 1977) were: 1570 deaths; 11300 injured; 35000 displaced families; 32900 damaged buildings; over 2 billion USD in financial losses.) and **landslides** (Note: Massive landslides took place in 1979, 1983, 1997 and 2000-2012. More than 35 municipalities, 80 small towns, 900 villages and 7 river basins cumulating 539,589 hectares (2.26% national territory) are assessed as being exposed to landslide risk) which are one of the most prominent natural hazards in Romania, with potential for significant casualties and damage to buildings and infrastructure.

709.At the same time, Romania is subject to potential **nuclear/radiological, chemical or dangerous substances accidents**. Concerning those three last risks, it is needed to increase the public awareness, prevention and adequate response.

### **Monitoring of risks**

710.Monitoring of risks is carried out by a centre within each of the line ministries with responsibility for a given risk. These centres feed into GIES which is responsible for



informing local authorities which has statutory responsibility for informing and protecting the population.

### **Prevention and mitigation measures**

711.Prevention measures are the responsibility of the competent Line Ministries for each given risk. Prevention measures span over: education, non-structural measures, preparedness measures.

712.Romania has the National Strategy for the prevention of emergency situations and will create the national platform for RRD which will establish the necessary objectives and actions to be implemented.

713.Also, Romania has the National Strategy for Flood Risk Management (Note: *Approved by the Government Decision No. 846/2010*) which defines a framework for coordinated, inter-sectoral action in order to prevent and reduce flood consequences on socio-economic activities, life and health and the environment. At the same time, this strategy contains actions to address drought.

714.In order to improve the local flood and drought management, the Ministry of Environment and Climate Change developed manuals for emergency management in case of floods and drought that summarise the preventive, operative and rehabilitation measures which are taken at the county and local level in emergency situations caused by those risks. These are likely to include:

- non-structural and passive measures on land management such as afforestation and agricultural practices which reduce runoff, relocation or creation of flood expansion areas;
- infrastructural measures to store/divert flood waters, in case non-structural measures would be insufficient.

715.Actions to address drought are likely to include:

- the recourse to economic instruments, discouraging excessive water abstractions in region suffering from water scarcity;
- the adoption of more efficient methods of using water, particularly in agriculture(land management techniques, on-farm water storage and application etc.);
- the use of more drought tolerant crop species and those that achieve maturity outside the summer peak of water demand;
- afforestation of agricultural land and creation of forest belts;
- where justified on economic and environmental grounds, notably in areas at risk, the soil water reserve decreasing below the level from which plant wilting can recover, the creation and/or rehabilitation of water infrastructure.

716.Concerning coastal erosion, actions to address coastal erosion will be undertaken in the framework of the Master Plan Coastal Protection and Restoration which aims to

prevent coastal erosion, to rebuild coastline and restore coastal environment, to protect marine and coastal ecosystems, and to protect the economic and social interests from the impact of marine erosion.

### **Prioritisation of risks**

717. The main criterion for prioritizing the risks and identifying those eligible for funding, to be performed through the national risk assessment under preparation, is the average annual economic costs of the corresponding damages (included direct costs, economic costs and human losses) avoided, estimated by confronting the risks (intensity, frequency) against the identified vulnerable activities. Until the risk assessment is completed, with an overall view of the prioritized risks, ESI Funds support will be limited to risks for which the assessment has already been initiated, focusing to no regret projects.

718. After the fulfilment of the ex-ante conditionality, the results of the risk assessment project “Support for fulfilling ex-ante conditionality 5.1 – National Risk Assessment” will be used in order to prioritize the funding needs.

### **Management of risks**

719. Given the range of natural and man-made risks confronting Romania, it is not possible to completely eliminate the risk. Nevertheless, a more effective management (See: *Commission Services Position Paper, October 2012, p8*) of risks could reduce the direct and indirect social and economic losses, as well as the need for external support. The impact of flood, in particular, has determined Romania to submit several requests for financial support from EU Solidarity Funds.

720. Therefore, Romania's approach to the management of risks comprises: coordination; assessment and mapping of risks; monitoring of risks; prevention and mitigation measures; developing and maintaining an adequate response capacity.

### **Coordination**

721. Romania has a functional National Emergency Management System (Note: *Established under Government Decision*) since 2004 which is coordinated by a National Centre for Emergency Management - It comprises the General Inspectorate for Emergency Situations (GIES) which is responsible for managing the response across all risks and relevant Line Ministries (Note: *For example, Ministry for Regional Development is responsible in relation to earthquakes; Ministry for the Environment for air quality and flood etc.*) which have responsibilities for risk assessment and risk prevention.

### **Developing and maintaining response capacity**

722. Romania's response capability comprises GIES coordinating input from different services (as the fire services, the police, the armed forces) via the Ministry of Internal Affairs, local authorities and volunteers in the affected areas. Taking into account the cross-border effect of certain risks (as floods, chemical accidents etc.), GIES may draw

down international support organized through bilateral agreements with neighbouring countries, which may be enhanced in future under the Danube Strategy, and through international mechanisms such as the European Civil Protection Mechanism and the Euro-Atlantic Disaster Response Coordination Centre of NATO. At the same time, the responsibilities of Member States for public protection, reinforcing resilience to natural and man-made disasters and for disaster risk reduction are established under international treaty and European policy and legislation (Note: *Including: Hyogo Framework for Action 2005-2015: Establishing a disaster resilience capacity of the nations and communities; Post-2015 Framework for Disaster Risk Reduction; the EU2020 Strategy; EU Internal Security Strategy in Action: Five steps towards a more secure Europe; European Territorial Cooperation; transnational cooperation in the framework of the Danube macro-regional strategy*).

723.Lessons learned from major incidents have highlighted situations where resources were over-stretched and could have been applied more effectively, based on a strong coordination system. Thus, it is necessary to create rapid response centres specialized in different types of missions by upgrading and improving the current specific intervention means needed for such missions. Development of the training system of professional personnel involved in emergency situations is one of the critical factors in the implementation of the strategy and achieving the vision.

724.Effective intervention also depends of the scale, dispersal and speed of response units. A large proportion of Romania's fleet of intervention vehicles are outdated, about 68% of intervention vehicles being more than 10 years old and almost 60% are more than 20 years. Some investments were made under the 2007-2013 programs, but those cover only 7% of the operational needs. The investments will cover modules specified in the EU legislation in the field of civil protection.

### **Main development needs**

725.The identified development needs are in line with the first results of:

- National Strategy on Climate Change;
- Outcome of the future national risk assessment;
- National strategy for the prevention of emergency situations;
- National Strategy for Flood Risk Management in the medium and long term, developed taking into account the provisions of Directive 2007/60/EC on the assessment and management of flood risk;
- River Basin Management Plans ( for the 11 River Basins of Romania) elaborated by National Administration "Apele Romane", in accordance with the provisions of the Directive 2000/60/CE;
- Master Plan Coastal Protection and Restoration.

726.Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (Annex I), **main development needs** are:

- Improving Romania's capacity to anticipate, to prevent and to respond to extreme natural and man-made emergencies;
- Improving Romania's adaptation and resilience to the negative consequences of climate change and, in particular, the increased incidence of extreme heat, drought, coastal erosion and flooding events in the Framework of the National Climate Change Strategy;
- Improving Romania's adaptation and resilience to other natural and man-made risks;
- Adoption of farming practices to improve resilience to climate change;
- Increasing efficiency of water use in agriculture contributing to climate change adaptation.

### **Protecting the environment and promoting resource efficiency**

727. Romania's global objective for 2020 in the field of environment and resource efficiency is to improve the environment and living standards, in order to achieve a more competitive economy, a better environment and more balanced regional development, while focusing at the same time on meeting the environmental acquis.

#### **Water/Wastewater**

728. According to the River Basin Management Plans, the costs for basic and additional measures related to the implementation of the Water Framework Directive are around 21 billion euro. The majority of these measures are related to drinking water quality and wastewater collection and treatment – 17,787 billion euro, respectively 5.6 billion euro to drinking water quality and 12,187 billion euro to wastewater collection and treatment. Until 2012 were invested so far a total value of about 5,173 billion euro, respectively 1,364 billion euro to drinking water quality and 3,809 billion euro to wastewater collection and treatment. Therefore, for 2014-2020 it is needed 4,236 billion euro to drinking water quality and 8,378 billion euro to wastewater collection and treatment.

729. Although Romania obtained a transition period through the Accession Treaty, the implementation of the Drinking Water Directive (DWD) - until 2015 and Urban Waste Water Treatment Directive (UWWTD) - until 2018 continues to be a complex and difficult task. As a consequence, the extension and modernisation of the water and wastewater infrastructure continues to be one of the most important priorities in improving the living standards and in implementing the environmental Acquis, to be funded through European funds, complemented with other sources of funding (mainly national budget, which will follow the same procedures, indicators and rules applied in the frame of ESI Funds). Investments are to be justified based on the updated versions of the existing County Master Plans for the water sector.

730. As regards the quality of drinking water, the main obligation under the DWD (See: *Commission Services Position Paper, October 2012, p7; Romania's NRP commitments 2013 p5*) is to meet the requirements of parametric values and monitoring of drinking water. In Romania, in 2012, 56.7% of population (12,103,555 inhabitants) is connected to the centralised systems. Underground waters have an important role as supply sources for drinking water, and diffuse pollution of aquifers (with fertilisers and other pollutants)

is a problem, especially in rural areas, where only 30% of population are connected to the centralised systems.

731.As regards the Accession Treaty, the compliance to the provisions of the UWWTD is gradual and monitored for collection of urban wastewater (61% in 2010, 69% in 2013, 80% in 2015) and treatment of urban waste water (51% in 2010, 61% in 2013 and 77% in 2015), where % represents the total biodegradable loads generated in urban areas. In Romania, in December 2013 the rate of connection to the sewage systems was 59.95% (comparing with 69%) and treatment 49.89% (comparing with 61%) (% from total biodegradable loads in p.e.) both of which need to be increased in the next programming period within all agglomeration above 2,000 p.e. Reflecting the provisions of the UWWTD and the fact that that Romania declared its entire territory as sensitive area (2005) all agglomerations with more than 10,000 PE are required to undertake advanced treatment (tertiary treatment), especially regarding nutrient removal (nitrogen and phosphorus) by 2015. This obligation will require substantial additional investment.

732.According to the Romanian Statistical Yearbook 2011, at 1 January 2012, the total population of Romania was 21,355,849 inhabitants, out of which 11,737,460 inhabitants in urban areas (55%) and 9,618,389 inhabitants in rural areas (45%). The total number of population decreased with 0.495% (starting with 2009), respectively with 81,210 inhabitants in the urban area (0.69%) and 25,127 inhabitants in rural area with (0.26%). As a consequence the number of agglomerations between 2.000 p.e. and 10,000 p.e. decreased and the number of agglomerations with less than 2000 p.e. knew a significant increase. At the end of 2013, agglomerations with less than 2000 p.e. account 1,092,503 p.e. which out 1.37% are connected to the collecting systems and treatment plants. Some of these agglomerations are equipped with classical urban waste water treatment plants (1.37%), but the majority do not have any collection system or treatment plants. Although priority is given to larger agglomerations, according to the Directive 91/271/CEE an adequate treatment is also necessary for this last category. Taking into account that this type of agglomerations has limited economic capacity, support can be provided in exceptional situations, consistently with the Master Plans and based on a sound technical and economical justification, only for centralised systems, excluding individual treatment systems. At the end of 2013, agglomerations above 10,000 p.e. (15,348,217 p.e.) represented 65% of entire p.e. (23,260,281.p.e.). The rate of connections to sewage networks in these agglomerations was 83.95%, while the rate of connections to treatment plants was 70.72%. Due to investments in treatment plants, an improvement in the treatment of UWW has been registered, with secondary treatment reaching 47.72% and tertiary treatment at 19.74% (25 UWWTPs with TT). According to the provisions of Directive 91/271/CEE, only 25 agglomerations above 10,000 p.e. were compliant with the requirement on connection to sewage networks and only 7 agglomerations larger than 10.000 p.e. were compliant for the regarding the connection to treatment plants ( 3 of them with more than 100,000 p.e.).

733. A further important issue deriving from WFD relates to improving monitoring substances discharged into the waters. To this end, Romania has already made significant investment in improving its water monitoring capacity but the additional obligations under Directive 208/105/CE will require further investments (to ensure a proper monitor of the priority hazardous substances identified through European legislation).

734. Concerning water pollution from agriculture, the use of agricultural fertilisers and pesticides decreased (with more than 70% in 2005-2011 compared to 1989) leading to an improvement in the quality of the surface waters.

735. Concerning water pollution from agriculture, the use of agricultural fertilisers and pesticides decreased (with more than 70% in 2005-2011, compared to 1989) leading to an improvement in the quality of the surface waters. However, given the levels of nitrates accumulated mainly in groundwater and taking into account the necessity to further protect water resources and prevent additional pollution in order to reach the environmental objectives, Romania considered that further soil and water conservation measures are needed and, as consequence, opted to implement at national level the Action Plan for Waters Protection against Pollution with Nitrates from Agricultural Sources and its good agricultural practices. This will be particularly important in the context of the transition to more intensive agriculture, agricultural practices underway in some parts of the sector foreseen in the next period.

## **Waste**

736. Romania is in the process of developing waste management at European standard. In 2010, 70% of the population had access to municipal waste collection service. Under, the projects planned to be financed through SOP Environment 2007 – 2013 it is expected to provide 100% coverage for counties where integrated waste management systems are implemented. Responsibility for separation and collection of waste rests with the public local authorities, who contract the services with private companies (sanitation companies).

737. Until recently, there was mainly mixed waste collection with limited separation (by 2010, only 698 localities had implemented a selective waste collection system) (See: *Commission Services Position Paper, October 2012, p8*). Under Law no.211/2011 on waste, Romania is providing the obligation for the public local authorities to introducing selective collection and sorting for at least in three fractions for public local authorities (– See: *Regulation GD 247/2011 on packaging and packaging waste management; Romania's NRP commitments 2013 p5 and p6*) and sets the waste management hierarchy. In this respect for future investments local authorities have to focus first of all on selective collection and afterwards to consider the other options of the waste hierarchy (e.g. compost and material recycling).

738. Following the Roadmap for Romania (See: *Support to MS in improving waste management based on assessment of MS' performance 070307/2011/606502/SER/C2, [http://ec.europa.eu/environment/waste/framework/pdf/RO\\_Roadmap\\_FINAL.pdf](http://ec.europa.eu/environment/waste/framework/pdf/RO_Roadmap_FINAL.pdf)*) there is an incomplete coverage of households with separate waste collection, especially in rural areas. Thus, there is a need to close the non-complying landfill, together with rehabilitation respecting all requirements for maintenance, monitoring and control in the after-care phase, and to upgrade the existing infrastructure and to extend separate collection coverage in all counties to reach one hand the targets of the Waste Framework Directive which requires preparing for reuse and recycling of at least 50% of the paper, metal, glass and plastics from the household waste and similar by 2020 and preparing for reuse, recycling and other forms of recovery of at least 70% of construction and demolition waste and on the other the landfill Directive waste diversion requirements.

739. Construction and demolition waste from households are managed by local authorities, while the others construction and demolition waste streams fall under the responsibility of the waste producers. In 2010, out of 5,325,810 tons of municipal waste collected by waste disposal operators (excluding construction and demolition waste), only 296,140 tonnes were recovered by material recycling or other recovery operations.

740. Concerning the costs (according to the Complementary Position Paper – Chapter 22 Environment) for measures related to the implementation of the Directive 1999/31/CE on the landfill of waste are around 5 billion euro. Romania has a transition period until July 2017 to phase out non-compliant landfills. New compliant landfills will be constructed as a part of the Integrated Waste Management System respecting the waste hierarchy and be based on the waste management plans and preventions programmes to be developed; in addition, the non-complying landfills will have to be closed, together with rehabilitation respecting all requirements for maintenance, monitoring and control in the after-care phase.

741. At the end of 2012, 72 non-compliant landfills, 33 compliant landfills and 51 waste transfer stations were operational. Projects initiated under the 2007-2013 period will need to be continued and completed. Additional investments (See: *Also, ensuring compliance with the Roadmap for Romania - "Support to MS in improving waste management based on assessment of MS' performance" 070307/2011/606502/SER/C2, [http://ec.europa.eu/environment/waste/framework/pdf/RO\\_Roadmap\\_FINAL.pdf](http://ec.europa.eu/environment/waste/framework/pdf/RO_Roadmap_FINAL.pdf)*, or the upgrade of existing installations, will be needed to fully comply with the diversion obligations of the landfill directive, with the exact needs being identified through the dedicated on-going evaluation. Taking into account the EU aims to reduce reliance on landfill for the disposal of waste (See: *Directive 1999/31/EC on the landfill of waste*), and the regional specificities Romania need to invest in waste to energy sector especially in Bucharest-Ilfov region.

742. The 2020 recycling and waste reduction targets set by the waste framework directive cannot be achieved only with municipal investments and will require a mix of measures. Mainstreamed measures, detailed in chapter 1.5.3 will also contribute to these objectives. Regarding the 2016 diversion target (65% biodegradable waste reduction), Romania achieved a reduction in the deposited biodegradable waste of 25% in 2009, 30% in 2010 and 37% in 2011. Taking into account current and future investments, Romania foresees to achieve, by 2016, a 62% biodegradable waste reduction. Due to the fact that Romania does not have in place, at the moment, any alternative methods to the disposal of municipal in landfills and taking into consideration the generation index of municipal solid waste for urban and rural areas, supplementary treatment capacities for a total quantity of 1.8 million tonnes of waste are needed.

743. During the 2007-2013 we encountered major problems, namely the extensive time spent on tender procedures, which ultimately put at risk the implementation process inside eligibility period. Other difficulties appear because the beneficiaries were insufficiently prepared, regarding the skills and capacity to prepare and implement the projects. These were translated into deficiencies in applying the waste selective collection and ownership from the side of local authorities, not allowing Romania to meet the recycling targets but also impeding the efficiency of the waste treatment installations.

## Biodiversity

744.The last decades revealed that Romania's biodiversity faced serious challenges due to anthropogenic factors that generated unbalances and discontinuities upon the conservation status of species and habitats. These factors refer to: extensive agricultural activity that determined changes of the natural ecosystems; rapid development of industrial activity with direct impact upon natural resources and pollution of air, soil and water; uncontrolled forest exploitation; hydro-technical works upon rivers; urban development connected with migration of population from rural areas together with degradation of urban ecosystems (green areas); inefficient management of waste; development of transport infrastructures with impact upon habitats and species.

745.Urban areas are particularly affected by a loss of biodiversity from the impact of development. Consequently, it is necessary to promote a green infrastructure, through e.g. ecological corridors, green bridges and eco-ducts to re-connect natural areas that have been artificially divided, and by maintaining corridors and landscape elements that connect protected areas in order to form a functioning network.

746.Overall, the long time alteration of the ecosystems due to diversification and increasing anthropogenic pressure was reflected in the actual structure of Romania's natural capital, generating the reduction of the natural production capacity required by the national socio-economic system.

747.In this respect, establishing and managing protected areas is a key factor in halting the loss of biodiversity and the degradation of ecosystem services and restoring them in so far as possible.

748.As a member state of the EU, Romania has established and strengthened the Natura 2000 network, which covers 22.7% of national territory, through 383 sites of community importance (SCI) and 148 special protected areas (SPA). Besides Natura 2000 sites, other national protected areas are designated in Romania, as follows: Danube Delta Biodiversity Reserve, 14 national parks, 15 natural parks (2 of which are geo-parks) and 925 scientific reserves, natural reserves and natural monuments. Given the multiple cases of areas where different types of protected areas overlap, single administrators or custodians have been appointed to manage them. At the moment, 43 administrators and 289 custodians were appointed to manage protected areas that include 101 SPAs and 229 SCIs. For these protected areas, according with art. 4.4 and 6.1 from the Habitats Directive, there is an obligation to develop, approve and enforce management plans. By the end of May 2014, only 66 management plans were submitted to MECC for approval, 10 of them being already approved, whilst 56 management plans are still in the approval process.

749.The approval process of Natura 2000 management plans is very long and difficult, mainly because of the lack of resources engaged in the assessment of management plans and a long and difficult inter-ministerial approval process. The reduced administrative capacity to assess the plans was identified as the main cause of delays. In order to tackle this issue, the capacity of the nature protection department will be reinforced in order to ensure the approval of existing management plans by the end of 2014 and approval of future developed management plans in maximum 3 months from their submission. In this sense the efforts are focused to establish management plans and develop conservation



measures and ensure that Romania has the necessary administrative capacity to implement them.

750. In line with the provisions of the EU Biodiversity Strategy, the National Strategy and National Action Plan on Biodiversity Conservation 2013-2020 Romania will support measures aimed at promoting a consistent and efficient management of protected areas, with a view of reducing the pressure of external factors in order to halt the decline of biological diversity of genetic resources and species, as well as supporting ecological reconstruction. In the same time, by 2020 Romania envisages measures that will integrate the biodiversity conservation policy into all the sectorial policies; promote innovative traditional knowledge, practices and methods and clean technologies as support measures for the conservation of biodiversity in the interest of sustainable development; improve communication and education in the field of biodiversity. Also, a clear set of measures, stemming from the Prioritized Action Framework for Natura 2000 in Romania 2014 – 2020, are envisaged:

- finalizing the development and enforcement of management plans for protected areas;
- maintenance and rehabilitation of the ecosystems and of the services provided, through the creation of ecosystem based solution (forest plantations, boundary plantation, ecological corridors, etc.) in all sectors that impact on biodiversity, with a view of rehabilitating at least 15% of already degraded ecosystems;
- the implementation of ameliorative measures for the conservational state of species and natural habitats of communitarian importance (including ecological reconstruction);
- providing the resources for the management process including the infrastructure investments.

751. These measures are correlated with EUSDR priority area "Preservation of biodiversity, landscapes and the quality of air and soils" that comprises specific measures like:

- Effectively manage Natura 2000 sites and other protected areas;
- Protecting and restoring the most valuable ecosystems and animal species endangered;
- Development of green infrastructure in order to connect different biogeographic regions and habitats;
- Reducing the spread of invasive alien species (IAS).

752. Large areas, especially in the mountains and hills are threatened by the abandonment of agricultural activities which can affect both biodiversity and rural viability. On 2010 around 9% of the total agriculture area was considered not utilised and between 2006-2012 the area of unproductive and degraded lands increased by 11.6%. Under the current RD program an area of 2.4 million ha of UAA (representing 18.3% of total UAA) was identified as mountain area characterized by a considerable limitation in using the land for agricultural purposes, while 1.7 million ha (representing 12.4% of total UAA) as areas facing natural and other specific constraints. By 2012, farmers holding a total area

of 1.8 million ha of the identified mountain areas mentioned above and 1.6 million ha of areas facing natural and other specific constraints, received payments granted through EAFRD to support their undertaking to pursue farming activities and avoid abandonment.

753. While the Natura 2000 management system has not become yet functional, the biodiversity on significantly large agricultural area within the Natura 2000 sites was protected in 2007-2013 programming period, through agri-environmental measure requirements of EAFRD. The eligibility area of agri-environmental measure covered as much as 80% of the total Natura 2000 areas. In order to reflect more specifically the biodiversity demands of priority species and habitats, for the next programming period the agri-environmental measure of EAFRD will become more targeted. The measure will promote extensive agricultural practices, adapted to conservation demands of selected internationally endangered species or on high natural value areas. The eligible areas will as well be more targeted on Natura 2000 sites. In order to ensure appropriate support for the land owners in protected areas, the implementation of a Natura 2000 measure is envisaged, based on a comparative analysis between mandatory and voluntary (agro-environmental) measures and taking into account the number and quality of management plans approved and enforced and the financial resources involved.

754. Out of 2.4 million ha of the High Nature Value (HNV) grassland identified, 1.2 million ha have been protected under the current RD program by granting financial compensation to farmers who undertook commitments to apply management requirements. Besides HNV grassland protection, agricultural land management measures were designed and implemented with EAFRD financial support, covering an area of approx. 84,000 ha, to protect a number of 4 threatened farmland bird species and 4 subspecies of butterflies. Although these populations of wild species and natural and semi-natural habitats appear to have remained stable over the last 25-30 years, there is a risk that new trends to enhance farming practices or abandonment of agricultural lands have a negative impact. Romanian forests and other wooded land area covered 28.3% of the total territory in 2012, remaining relatively constant over the last 30 years. Since 1991, when all the forests belonged to the state, a difficult process of restitution has taken place, with a result of 32% of the forest being returned to private owners and 17% to local administrative units.

755. A percentage of 53% of the Romania's forests are protected and different forest management regimes are applied according to their function. The distribution of protection forest is as follows: 43% are forest for land and soil protection, 31% are forests for protection of waters, 5% are forests for protection against harmful factors, 11% are forests with recreational purposes and 10% of the forests are protected areas or have scientific status. Nearly half a million hectares of forests are unmanaged or without forest service contracts or security. In other words, these forests (rather forestry land) on which were forest vegetation was partly/totally removed are completely abandoned. Most of these forests are owned by individuals. Measures need to be developed to enhance the value of forest protection function. Also, measures for the integrated management of mountain forests and watercourses need to be established (torrents correction, landslides mitigation, avoiding clogging of water course). In the same vein is needed to use sustainable forest management (SFM) approaches for sequestering carbon, such as sustainable management of production forests, sustainable management of protection forests - protected areas, and afforestation. Under current conditions, looking to assure

the continuity of forests and fulfilling the functions of the forests assigned for protection, is necessary to ensure compensation for forest owners and adopt additional measures against illegal cutting in forests. By using EAFRD Romania will address the problems of forest accessibility..

756. In addition to their contribution to biodiversity soil and water conservation and landscape protection measures for sustainable forest management have direct contribution to mitigation and adaptation to climate change.

757. The marine environment of the Black Sea has been the focus of environmental policies (particularly in the Danube Basin) for the past 20 years and has experienced a slow but continuous recovery:

- reduced nutrient inputs has resulted in a reduction of algal bloom but this phenomena is still present;
- benthic species biodiversity has improved, increasing from 20 (in the 1990s) to almost 40 at present;
- zooplankton has been recovered particularly in offshore area, but is still vulnerable in the shallow;
- fish fauna is still in a critical situation (sardines, blue mackerel, bonito fish etc.) even if the Romanian fishing capacity decreased tremendous after 1990.

758. In these conditions, further measures for protection and restoration of marine and inland waters biodiversity through sustainable fishing, control, inspection and data collection activities are envisaged. Romania aims to support the fishing sector and related activities in reducing its environmental impact in line with the reformed Common Fisheries Policy. The use of selective fishing tools, gears and methods will contribute to the preservation of the aquatic habitat, accompanied by measures to strengthen the administrative capacity (especially activities regarding data collection, inspection and control in order to deter IUU fishing and to protect the environment).

759. Romanian authorities have in view to develop management measures to protect and restore marine and inland waters biodiversity, such as:

- Construction and instalment of static constructions designated to protect and help increase the marine fauna and flora;
- Measures of protection and preservation of endangered species (native trout, grayling, etc.);
- Construction and instalment of static constructions designated to improve the aquatic eco-system from inland waters and to help ensuring the migration of species, including that of sturgeons on inland waters migration area;
- Education and raising awareness regarding the conservation and improvement of marine and inland waters biodiversity.

760. With regard to aquaculture, both the preservation of aquatic eco-systems and the application of safety measures to prevent escapes from farms that could affect wild species biodiversity are taken into consideration. Even if Romanian fisheries produces a

low number of unwanted catches and discards, in order to further diminish the unwanted catches measures to support sustainable fishing activities are needed.

761.Regarding the surveillance system for all the marine and maritime areas, as the border control, safety and security, fisheries control, customs, environment or defence, a Common Information Sharing Environment (CISE) is currently being developed jointly by the European Commission and EU/EEA member states. It will integrate existing surveillance systems and networks and give all concerned authorities access to the information they need for their missions at sea.

### **Air quality**

762.Air quality remains a problem in Romania, particularly in urban and industrial areas. In order to improve air quality and to determine appropriate measures, the National Air Quality Monitoring Network was established consisting of 142 fixed stations, covering the whole of Romania. The additional provisions under Air Quality Directive 2008/50/EC require a new approach to air quality assessment, including the new pollutants which should be monitored (Heavy metals – As, Hg, Cd, Ni; PM2.5 and PAH). It will be necessary to upgrade and develop the National Air Quality Assessment System taking into consideration the following:

- some equipment has been working continuously over 10 years; many stations should be improved with the new equipment for measuring the new pollutants;
- the national air quality assessment that was prepared by the end of 2013 identify a need for more fixed stations, so it will be necessary to upgrade and extend the National Air Quality Network;
- development of a dynamic forecasting system for air quality;
- development of an unique and interactive system for inventory of the emissions of pollutants into the atmosphere in order to fulfil the requirements of INSPIRE Directive.

763.**Urban transport** - the sustainable development of Bucharest has to be addressed as for an European capital, in the context of urban agglomeration, in correlation with neighbouring areas. Besides the people that are living in Bucharest, there are 30,000-35,000 people/day that are in transit through the city, for business, tourism, and other activities, so that the capital reaches 2.3 million people.

764.Bucharest metro network has to be developed for decongesting urban transport on the ground. All investments will contribute to low carbon economy and will aim at climate change adaptation. The metro network has 69 km, on 4 lines that provide a rapid movement of passengers at a big capacity, but they cover only a part of the inhabited area. Metrorex ensures the transport for 20% of passengers that use public transport in Bucharest, even its share in transport public network is of 4%. In this respect, it is necessary to build new metro lines, in order to have not so high level of ground traffic and to have more environmental friendly urban transport system.

### **Soil**

765. During 1950-1990, Romania's soil and water were heavily damaged by industrial and agricultural pollution, salinization, acidification, erosion, desertification, and landslides that today pose a major risk to human health and to the environment. According to recently updated National Strategy and National Action Plan for contaminated sites management, in Romania were identified 1,393 contaminated sites, out of which 210 have historical and actual pollution, some are abandoned, whilst 1183 need further investigations. Remaining plants on these polluted sites often contain hazardous substances that represent risks to human health and the environment and need rehabilitation. The prioritisation principles included in the National Strategy for contaminated sites management refer to: polluter's pay (limiting the support to sites where the initial polluter cannot be identified), protection of human health and the environment from the effects of contaminants resulting from human activities; remediation of contaminated sites.

766. Production potential of agricultural land is affected by different degradation processes. Average soil erosion in Romania was 2.6 tons/ha/year in 2006. Soil erosion trends resulting from changes in land cover and rainfall erosion did not show any significant change in the erosion of soil by water at EU-27 level between 2000 and 2006 (0.01 t/ha/year). Romania, with a 0.04 t/ha/year increase in soil erosion in the studied period, has the 9th higher increase in EU-27. In 2010 water erosion, followed by wind erosion, were the main degradation processes that affected the agricultural soils, almost 9% of the total agricultural area being affected, most of it being arable land.

767. Actions that reduce the threat to water resources and combat soil degradation will continue to be important. Among these are agro-environment measures, which contribute significantly to reducing use of chemical fertilisers, preventing nitrate leaching by using green cover crops, improving of manure management, reducing the load of grazing livestock per unit area, reducing the use of mechanized equipment or increasing the water absorption of soil, which leads to a decreased risk of flooding. Afforestation of agricultural and degraded land will also contribute to water and soil conservation by maintaining water quality, preventing soil erosion and reduce the risk of floods.

### **Organic farming**

768. The area under organic farming more than doubled between 2007 and 2012 to stand at 300,000ha (representing 2.25% of UAA). The number of operators registered in the organic farming system in 2012 was 15,373. It has increased threefold over the previous year in 2010 and twice in 2011. Besides its commercial opportunities and health benefits, organic farming will also add a valuable contribution to the reduction of negative impact on environment.

### **Cultural heritage**

769. In Romania, the cultural heritage faces great challenges in terms of physical conditions which gradually deteriorates than in other European countries. According to Strategy for Culture and Patrimony 2014-2020, monuments situation was as follows: 30,108 historical monuments, out of which 75% of the monuments are endangered, and 35% of the monuments have a high degree of degradation. All these discordant aspects must lead to a broad consensus in favor of protecting and preserving the cultural heritage. Romania has a competitive advantage through increased density of cultural heritage

objectives. It is of critical importance to preserve what remains of the cultural heritage of the different regions of the country severely damaged in the recent decades.

### **Main development needs**

770. The identified development needs are in line with the first results of the:

- The River Basin Management Plans;
- National Waste Management Strategy 2014-2020;
- The National Strategy and National Action Plan for the Management of Contaminated Sites;
- The National Strategy and National Action Plan on Biodiversity Conservation - for 2013-2020;
- Strategy for Culture and Patrimony 2014-2020.

771. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*Annex I*), **main development needs** in relation to environmental protection and resource efficiency are:

- Extend public access to water and wastewater services, in the context of the Water Framework Directive and its River Basin Management Plans;
- Implement and upgrade infrastructures required to comply with the obligations of the Waste Directives and the waste management plans and preventions programmes to be developed;
- Nature protection and conservation including through a coherent and functional Natura 2000 network, support of High Nature Value farming systems and restoration of degraded ecosystems. Sustainable management of Romania's rich natural assets, including landscape, farmland, forests, inland and coastal waters, protected areas, biodiversity;
- Development and improvement of the air quality assessment and monitoring;
- Improving the sustainable urban transport and, consequently, reducing pollution;
- Addressing the legacy of derelict and polluted sites and to manage current sources of pollution;
- Conserving and protecting the cultural heritage
- Reduce the risk of abandonment of agricultural activities;
- Developing SE public institutions in the implementation of IMP

### **ANALYSIS OF DISPARITIES AND IDENTIFICATION OF THE MAIN DEVELOPMENT NEEDS FOR ADMINISTRATION AND GOVERNMENT CHALLENGE**

#### **General**

772.The public administration domain is linked to quantified targets of Europe 2020 strategy, as indicated in the introductory section of the PA. Some of the links can be noticed across the targets, flagship initiatives and integrated guidelines. Others are more indirect and relate to administration creating an environment under which the private sector and other actors can operate in a fair, transparent and efficient manner. For Romania to achieve its planned contribution to Europe 2020, an efficient, predictable and coherent public administration is needed characterised by: high-quality decision-making; development and elaboration of policies (with a strong accent on rigorous, integrated and coherent strategic planning, including correlation with budget); the implementation of measures adopted (focusing on the administrative capacity of the implementing institutions involved, at all levels, correlated with the allocated competences); monitoring systems (addressing both system design and capacity building for the collection, correlation and interpretation of data); and evaluation in order to identify deviations and their corrective measures in due time.

773.Headline targets of the Europe 2020 Strategy (especially those related to poverty, employment and education) require coordinated and collaborative efforts of the central and local levels. Accordingly, it is imperative to address administrative capacity in an integrated manner.

### **Structural causes and main deficiencies**

774.Efforts have been made to reform and modernize Romania's public administration in recent years, with support both from the national budget and from European funds. Extensive analyses, including by international bodies, acknowledge the progress made, but highlight the needs and challenges in an integrated approach to public administration reform in the coming years.

775.The deficiencies in national and local administrations highlighted in *The Socio-economic Analysis* (See: <http://www.fonduriadministratie.ro/pictures/analiza%20socio%20economica%20-%20CCT%20ABG.pdf>) adopted by the Thematic Advisory Committee on Administration and Good Governance and *The Analysis on Structural Causes underlying the weak capacity of the Romanian public administration* are consistent with the Commission's findings (Country Specific Recommendations 2013 and Position of the Commission Services on the development of Partnership Agreement and programmes in Romania for the period 2014-2020). These will be addressed in an integrated manner within the Strategy for increasing the efficiency of public administration 2014-2020 which is currently under elaboration.

776.Analysis of **structural factors** reveals the following problems:

- **The politicization of the public administration.** The efficiency of governance is hindered by the excessive **politicization** of the public administration, a process characterized by a personalized approach to decision-making and institutional management, leading to constant reorganizations and reshuffling of public institutions.
- **The misallocation of public funds** and resources still represents a major issue affecting good and efficient governance.

- **Public administration is fragmented** and delegation of responsibilities is unclear, both at central and local levels. Fragmentation and lack of coherence is perceivable in terms of legislation (excess of normative acts, sometimes with contradictory/redundant provisions), budget allocation (across scattered policies and projects), institutional mandates, human resources management and use of IT&C tools (data-bases that are not inter-connected etc.)
- **Lack of trust** among political and administrative layers is not conducive to a real empowerment of professional civil servants, resulting in weak ownership and sense of accountability at the level of the administration. Politicization and personalization of public institutions, along with ambiguity in institutional mandates preserve a conservative administrative culture defined by **resistance to change and lack of initiative**. The general lack of trust and empowerment at the level of the administration results in **excessive bureaucracy** as a means of self-protection rather than taking responsibility for the given tasks. This is visible in extensive micro-management, the number of endorsements necessary for various administrative decisions, the large volume of paperwork, etc.
- **Lack of transparency** – the proper consultation needed to improve legislation at local and central level rarely takes place. Transparency is also a measure of the accountability of the public actors towards citizens, which is rather feeble at present and generates mistrust on the behalf of the civil society.
- **Deprofessionalization** – the pre-accession period has brought about an influx of young professionals into the public system and their skills were mainly used during the negotiation process with the EU. Once Romania joined the EU in 2007, a process of deprofessionalization started to occur, accentuated by the flow of professional civil servants leaving the administration to work either for EU institutions or in private consultancies.

777. The structural causes identified above, while not exhaustive, represent key elements in understanding some of the main deficiencies that affect the proper functioning of the public administration.

### **Main cross-cutting deficiencies affecting the public administration**

#### **a) Decision-making process and efficiency of public expenditures at all levels**

778. Legal and institutional premises for building and implementing a robust decision making process are in place - laws have been passed, institutions established, and significant investments made in implementing a modern policy process supported by capable policy institutions. However, despite these changes, the above mentioned analysis reveals the following deficiencies:

- Inappropriate strategic planning systems within the public institutions leading to poor prioritisation;
- Poor usage of impact assessment for policy substantiation at all levels (including inefficient use of information, relevant data and modern IC&T tools) leading to ad-hoc decision-making and inefficient allocation of resources (*See:*



[http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/08\\_Raport%20-%20cross-cutting%20issues.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/08_Raport%20-%20cross-cutting%20issues.pdf));

- Weak institutional capacity related to policy coordination resulting in unclear mechanisms for monitoring and evaluating implemented policies, with a focus on rules and procedures rather than outputs and achieving performance;
- Lack of responsiveness in the planning, regulatory and legal systems;
- Lack of involvement of non-governmental stakeholders in the decision-making process at local and central level;
- Feeble financial management and insufficient financial autonomy at the local level due to frequent legislative modifications, resulting in a low level of tax collection;
- Low levels of transparency and poor consultation relating to the activity of public institutions (incomplete communication of information, lack of proper consultation from the beginning of the policy development stage, deficiencies in promoting and implementing the legislation on the re-use of information from public institutions (See: *Law no. 109/2007 on the re-use of information from public institutions, which transposes Directive 2003/98/EC on the re-use of public data*), opaque public procurement system etc.), in conjunction with a reduced capacity of stakeholders (social partners, civil society) to promote and engage in real reform processes.

779. Therefore, policy planning remains ad hoc and decision-makers are faced with a system that does not produce the quality of analysis that they need to make informed policy decisions, leading therefore to an overregulated environment and inefficient procedures with negative impacts on businesses and citizens. The administration is no longer focused on achieving performance but on keeping pace with the constant legislative changes. The consequences for Romania are the persistence of severe and chronic problems with the quality of public policy and public expenditure at all levels.

780. In the process of elaboration of the project Administrative Code (*Note: Elaborated through a project co-financed by the ESF under OP ACD 2007-2013*), were achieved a series of studies and analyses on malfunctioning of legislative framework in public administration. Following the interpretation of the results the following conclusions are: the majority of institutions/authorities surveyed think that the normative acts in the public administration are poorly drafted (64.60%); 75% of institutions surveyed were notified cases of contradictions between certain provisions of normative acts; 50% of institutions participating at the study were confronted with cases of overlap between acts; 54.20% of institutions have declared that there were situations in which they consisted legislative vacuum; the majority of institutions/authorities surveyed think that the institutions that are responsible with approving a draft legislation participating in small measure (33.30%) and very small extent (14.60%) in the process of consultation and substantiation; most malfunctioning of legislation in public administration are coming from drafting stage of a draft acts (87.50% - total agreement + partial agreement), the following positions being occupied by substantiation technical stage (77.10%) and the one of application (77.10%).

#### **b) Human resources management**

781.Although the public administration contains dedicated and professional staff, the system does not function effectively due to the existing human resource policies and institutional framework in place, main deficiencies being related to politicization, the lack of unitary approach, rigidities in human resources management, the relative scarcity of high skilled professionals, and the difficulty in motivating and retaining those who do perform well.

782.The Functional Reviews conducted by the World Bank (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/08\\_Raport%20-%20cross-cutting%20issues.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/08_Raport%20-%20cross-cutting%20issues.pdf)) identified several major deficiencies related to HR management, principal among which were:

- The absence of an integrated long-term policy concerning a coherent and unitary HR management in the public administration;
- Lack of performance management, from recruitment, evaluation, promotion, motivation and remuneration to professional development and acquiring of new skills;
- Lack of an integrated approach for the implementing and promoting ethics and integrity measures;
- Un-modernized organizational culture based on a procedural/bureaucratic approach and not oriented towards achieving performance measured against clear objectives and targets.

783.Human resources field remains a sensitive one. Even if there is a modern legal framework and many employees well trained /experienced, and the report (See: <http://www.anfp.gov.ro/DocumenteEditor/Upload/2013/Raport%20Management%202012.pdf>) provided by National Agency of Civil Servants has implemented measures to improve the management of civil service and civil servants, the actual legislation still contains enough elements outdated or incomplete (different laws for public servants and contractual staff, special status of socio-professional categories or rules of organization and functioning of institutions), as well as a large number of institutions, issues that lead to an insufficient unitary approach to human resource policies and dissipation of responsibility. The corps of civil service as a whole is an old one, which has the largest share of over 40 years or those who have already achieved higher professional degree. There are deficiencies in terms of instability in the civil service, both for leadership positions and for the execution, for various reasons: lack / failure mechanisms of motivation, high fragmentation senior civil servants' remuneration and similar tasks that Law- frame no. 284/2010 on the unitary payment of the personnel paid from public funds failed to solve). The mechanisms of selection, management, evaluation and promotion the staff are inflexible and the human resources departments' capacity in terms of analyzing training needs of employees in conjunction with institutional needs is reduced. Given budgetary constraints due to the crisis and the movement to the private sector, particularly those with expertise in the management of EU funds and those in sectors such as education or health (even if not part of the civil service ) generated operational problems of the public sector.

### **c)Bureaucracy**

784. Absence of single access point systems, underdevelopment of e-government systems and insufficient use of IT tools results in:

- Excessive bureaucracy for citizens and businesses;
- Excessive inter and intra-institutional bureaucracy;
- The existence of regulatory overlaps and over-regulation. Low planning capacity and ad-hoc decision-making without sound impact assessment generate a constant need to pass new or to modify existing legislation.

785. Thus, although the number of newly passed legislation has registered a slight decrease, it is still very high and significant legislative initiatives with major impact (economic, financial, social etc) are adopted through Emergency Ordinances and without public consultation, as shown in the Tabel 15.

#### **d) Capacity to deliver public services**

786. Romania's public services are generally less developed than those available in the more developed EU countries. However, rather than the absolute level of service, the cause of greatest public dissatisfaction is the unevenness in the quality of and accessibility to services to which citizens are entitled to receive. Variation is particularly evident between urban and rural areas, but there are also some differences across the less developed regions. The insufficient administrative and financial capacity at the central and local government to meet the increasingly diversified needs of beneficiaries, especially in ensuring high quality public services, is caused by the following factors:

- Inconsistent regulation of public services through separate normative acts;
- Cost and quality standards have not been defined for all public services;
- Insufficient concern for the design and delivery of public services in partnerships with the stakeholders;
- Insufficient concern for the long-term implementation of management, monitoring and evaluation systems and tools for public services delivery.
- Deficiencies in competences allocation, in management and public services delivery, without consistently complying with the subsidiarity principle.

787. The access to a range of public services provided is insufficient ensured, in particular at local level, both in terms of access of beneficiaries to information (knowledge of rights and procedures for interaction with the administration), as in terms of effective provision.

#### **e) Lack of coordination and pronounced fragmentation**

788. There are clear deficiencies in coordination between ministries and entities that coordinate intra-sectoral responsibilities, institutional overlapping in terms of competencies and attributions, inefficient use of resources, fragmented administration with too many expensive structures.

789.The transfer of competencies from the central to local government (education, health, population registry, basic public services) was done without a proper assessment of the administrative and financial capacity of the local authorities. The transfer of responsibilities has been often incomplete or unclear/diffuse and decentralized public services delivered by local governments being, in many cases, underfunded.

790.The differences in administrative capacity among local governments have affected their ability to mobilize resources, to attract investments as well as to implement properly implement the developed strategies/plans. Fragmentation, including along political lines, has impeded cooperation between local authorities in view of developing initiatives and public services on economic and efficient basis. It has also constrained integrated development, through partial participation of rural municipalities surrounding urban growth poles and areas.

791.In Romania there is a significant territorial fragmentation, reflected in the 3222 territorial administrative units, of which 41 are counties, 103 municipalities, 217 cities and 2,861 communes; the organization that has not experienced major reforms since 1968 (when adopting the legislation for the administrative-territorial organization of Romania) and no longer responding to the current needs of development.

792.Currently approx. 57% of municipalities have fewer than 50,000 inhabitants, 55% of cities have fewer than 10,000 inhabitants and a number of towns and cities with a total population of close to or even below to communes; approx. 52% of communes have fewer than 3,000 inhabitants and of these 93 have less than 1,000 inhabitants. The rural population still has a very high percentage compared to other European countries, which presents additional challenges, both in terms of socio-economic development and service delivery.

793.**Weak administrative at local level in the context of partial decentralization.** One of the fundamental problems currently, refers to the **administrative-territorial excessive fragmentation, incurring high operating costs of the local public sector, unjustified in relation to the efficiency of the provided services.** Another negative effect of this problem is represented by **the difficulty of correlating strategies and policies at local level with those at central level.**

#### **Promotion of integrity, transparency and good governance**

794.The quality and motivation of human resource is reflected in the ensuring degree of activity transparency within public administration and on corruption level. Even if the law on free access to public information (Law no. 544/2001) and decisional transparency in public administration (Law no. 52/2003), have already 10 years of applying and the asset declaration system and conflicts of interest by civil servants is also well-defined, in their implementation are deficiencies related to incomplete communication of information, reluctance to transmit information on areas such as public procurement and an organizational culture focused on the transmission of responses in maximum period provided by law. If these tools are used to obtain information from public administration, Law no. 109/2007 on the re-use of information from public institutions (which transposes Directive 2003/98/EC on the re-use of public data) is much less known, especially since the information available is very limited.

795. Currently, Romania is implementing the National Anticorruption Strategy (NAS), which provides the major medium-term strategic directions in support of integrity and good governance in all public institutions. NAS has been designed to also respond to and implement the CVM recommendations in this area. The purpose of the strategy is to reduce and to prevent corruption through a rigorous application of the existing legal and institutional framework. Therefore, NAS puts an emphasis on observing the integrity standards and effective implementation of the measures in force (such as declarations of assets, the management of conflicts of interest and incompatibilities, the whistle-blower protection, ethical counsellor, declaring gifts, transparency in the decision making process and access to information of public interest). Moreover, NAS incorporates the areas identified as priorities at the European Union level by the EC Anticorruption Communication such as recovery of proceeds of crime and protection of EU financial interests and other areas/sectors vulnerable to corruption.

796. For achieving the NAS objectives, there are still some challenges that need to be addressed and areas that require further attention:

- Increasing the level of anticorruption education for all public institutions' employees
- Efficient implementation of the anticorruption preventive measures regulated by national legislation;
- Increasing the use of administrative control mechanisms;
- Adopting specific measures in the public sector with regard to preventing conflicts of interests in public procurement

797. One of the main targets of the National Anticorruption Strategy is to increase the indicators assessing the impact of corruption perception so as to reach the EU corruption perception average.

### **Lessons learned**

798. During 2007 – 2013 programming period, the Operational Program Administrative Capacity Development played a special role in supporting public administration reform. Interventions sought to improve the basis for public policy elaboration, strategic planning process, performances measurement and evaluation, human resources management, as well as decentralization (e.g. education, health, population registry, basic public services).

799. PO DCA 2007- 2013 supported several important projects on analysing the cross-cutting issues on eleven sectors (agriculture, transport, pre-university and high education, public finance, competition, health, labour, environment, economy and regional development) in order to identify the deficiencies, needs and possible solutions.

800. Strategic projects, with large impacts on the system and with replication potential have not been generated in sufficient number during the current programming period (See: *Analysis of Capacity Building Activities in the Public Administration, Final Report, World Bank*) and some of the projects were delayed because of low capacity of the beneficiaries.

801.Many projects have also been promoted in a scattered manner, addressing symptomatic deficiencies but with limited effectiveness when unable to tackle the underlying structural causes.

802.Future capacity building interventions should be implemented through integrated strategic projects. These strategic projects will be part of the Strategy for consolidating the capacity of the public administration 2014-2020 and they will be submitted to public consultation.

803.The opportunity to use **EU funds** as additional resources of increasing the financial autonomy of the administrative- territorial units and improving the quality of services provided to the beneficiaries was used inadequately.

### Future steps

804.In order to succeed on reforming the public administration, it is, also, necessary to continue the efforts already undertaken through the implementation of administrative capacity measures in the following ministries:

- Ministry of National Education (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/04\\_HEFR%20final%20report.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/04_HEFR%20final%20report.pdf));
- Ministry of Labour, Family, Social Protection and Elderly (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/06\\_MMFPS\\_RO-FR-Final%20Volume%201\\_ENG.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/06_MMFPS_RO-FR-Final%20Volume%201_ENG.pdf));
- Ministry of Public Finance (See: *Ministry of finance implemented 5 projects derived from FR I* ([http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/06\\_RO%20FR\\_Public%20Finance\\_%20Final%20Report.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/06_RO%20FR_Public%20Finance_%20Final%20Report.pdf)))
- Ministry of Economy (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/03\\_MEC%20Review%20Final%20Report.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/03_MEC%20Review%20Final%20Report.pdf))
- General Secretariat of the Government;
- Ministry of Regional Development and Public Administration (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/02\\_Regional%20Dev%20and%20Tourism%20FR%20Final%20Report%20\(English\).pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/02_Regional%20Dev%20and%20Tourism%20FR%20Final%20Report%20(English).pdf));
- Ministry of Transport - *2 projects derived from FRI* (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/07\\_RO%20FR\\_Transport\\_%20Final%20Report.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-I/07_RO%20FR_Transport_%20Final%20Report.pdf)))
- Ministry of Health (See: <http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/07-RO-FR-Health-Sector.pdf>);
- Ministry for Environment and Climate Change (See: [http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/05\\_ROMANIA%20FR%20Environment-Water-Forestry\\_Volume%201-Main%20Report\\_ENG-FINAL.pdf](http://www.sgg.gov.ro/docs/File/UPP/doc/rapoarte-finale-bm/etapa-II/05_ROMANIA%20FR%20Environment-Water-Forestry_Volume%201-Main%20Report_ENG-FINAL.pdf)).

805.The action plans contain structural reform measures aimed at enhancing the administrative capacity of line ministries to support the achievement of the strategic goals of the Government (including the EU2020 targets). Currently, the Prime-minister's Chancellery is setting up a monitoring and evaluation system for structural reforms (including the action plans based on the functional reviews) capable of evaluating the impact of these reforms on the capacity of the administration to reach its strategic goals (including EU2020 targets).

806.The selection of the public institutions was based on:

- the responsibility regarding the elaboration and implementation of the horizontal reform programmes;
- the reduced administrative capacity on drafting sectoral public policy;
- relevant contribution in achieving the objectives foreseen in NRP.

807.It is important to underline that, in the action plans mentioned above there are measures in the responsibility of different stakeholders from all administrative layers. The reinforcement capacity of the **Ministry of Public Finance** and the **Ministry of Economy** as well as of the main stakeholders in these sectors is essential for recovery of the economy and the financial system and for the improvement of the business environment in order to stimulate productivity, precondition for ensuring long-term economic growth.

808.As far as the **Ministry of Transport** and **Ministry of Environment and Climate Change** are concerned, these institutions are the main actors involved in elaborating and implementing the objectives of the Cohesion Fund. Special support will be provided for developing administrative capacity for the institution involved in the appraisal and adoption of Natura 2000 management plans, revising and simplifying the corresponding procedures and the Romanian Water National Administration, (enhancing their awareness and skills for designing and implementing non-structural measures).

809.Considering EU2020 targets on the employment rate, (especially among youth), reducing the early school leaving rate, increasing the investments in research and development and reducing poverty and social exclusion, there is a need to offer constant and substantial support for the public institutions that are responsible with the elaboration and implementation of the public policy in this area: **Ministry of National Education, Ministry of Labour, Family, Social Inclusion and Elderly** and **Ministry of Health**, their subordinated and coordinated bodies as well as local governments.

810.Considering that administrative capacity represents an essential condition for the development and implementation of the policy reforms and for the improvement of the absorption of the European funds, it is necessary to support the efforts made by the **Ministry of Regional Development and Public Administration** and of the **General Secretariat of the Government through the Prime Minister Chancellery** regarding the improvement of the quality of regulations and human resource management, the reduction of the bureaucracy and the development of a performance-based management in public administration.

811. In terms of future steps, key findings on public administration system deficiencies are already envisaged to be addressed through the National Reform Program. (See *Romania assumed major strands through NRP in DataFile.doc – Table 16*)

812. In order to remediate the identified deficiencies, as well as to respond to the structural causes that determined a reduced administrative capacity of Romanian public administration and to mitigate the structural effects, a **Strategy on strengthening the efficiency of public administration 2014-2020** is currently under elaboration. The Strategy will be elaborated in correlation with the up-dated Better Regulation Strategy aiming at strengthening the public policy formulation system.

813. The Strategy for strengthening the public administration 2014 – 2020 will include short term measures (by 2016) that will ensure the fulfilment of ex-ante conditionality criteria (as for example: an assessment of the needs of stakeholders, including citizens, business and other interested parties (social partners, NGOs) and goals to improve their delivery through quality management systems and tools, an action plan for the implementation of quality management systems and tools, an analysis of needs and goals in terms of simplification and rationalisation of administrative procedures and an action plan for the simplification of administrative procedures) and will contribute to the consolidation of administrative capacity of the institutions directly responsible for implementing the Europe 2020 strategy to achieve its objectives.

814. Another important measure is the support, through strategic projects, that will be given to the ministries responsible for ex-ante conditionalities to develop their administrative capacity to implement, monitor and evaluate the actions / measures contained in the strategies.

815. The medium term actions (by 2020), will be designed to contribute to the strengthening of the public administration capacity to ensure the sustainability of measures in order to achieve the objectives of the Europe 2020 strategy and future development.

816. The main objectives and directions for action of the Strategy focus on: performance management in public administration, including management of human resources, an adequate system of strategic planning and an appropriate substantiation of the decision-making process, the availability of relevant information and data to support the formulation and evaluation of public policies, a wider use of IT & C tools and strengthening administrative capacity at local level, in the decentralization context in order to increase the quality and accessibility of public services.

817. Given the importance of the administrative and judicial reform, OPAC will support from an early stage, through dedicated calls of proposals, the strengthening of the administrative capacity of the institutions responsible for the implementation of ex-ante conditionalities.

818. Given the cross-cutting nature, as well as the importance and urgency of continuing the justice reform, support measures on development of the judiciary are of highest priority and need implementing measures (as described in Section 1.1) based on the relevant strategic documents, including the National Anticorruption Strategy, the main recommendations included in the World Bank projects on Judicial Functional Review



and Court Optimisation and others. Adequate and timely financing would be made available for the relevant programmes.

### **Main development needs**

819. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See file SWOT Analysis.docx*), **main development needs** are:

- **Improving decision-making process and the efficiency of public expenditures at all levels**
  - Developing and implementing systems and procedures for policy coordination;
  - Developing monitoring and evaluation mechanisms for the implemented policies;
  - Improving the budgetary and legislative process by streamlined in-depth impact assessments and effective consultation process;
  - Further implementation of the action plans derived from the functional reviews for public institutions;
  - Developing skills in the areas of strategic planning and budgetary programming, impact assessment and monitoring and evaluation (e.g. Training and methodologies, data-bases for indicators);
  - Strengthening participatory dimension, development of consultation and participation mechanisms in decision- making;
  - Strengthening / developing the capacity of stakeholders (social partners, civil society / NGOs) in order to enable them to contribute more effectively to the promotion and implementation of reforms in the public administration
- **Reforming the human resources management in public institutions**
  - Create and implement an integrated strategic framework for human resources management in public sector
  - Raise the professionalism, effective independence and attractiveness of the public administration
- **Reducing bureaucracy for businesses and citizens**
  - Measuring administrative burden, transfer of know-how and best practices;
  - Actions to realise regulations and to reduce the burden of bureaucracy on businesses and citizens;
- **Opening the administration - enhanced transparency, integrity, accessibility and accountability of government and public services;**
- **Enhancing capacity at all levels for increasing quality and accessibility of public services throughout the territory of Romania**
  - Performance management, monitoring and evaluation systems and mechanisms for public services delivery;

- Institution building;
- Accessible and customers oriented public services;
- Transfer of know-how and best practices;
- Partnerships among public institutions and among them and stakeholders.
- **Enhancing administrative and financial capacity at national, regional and local level to implement actions in pursuit of Romania's development goals**
- Developing modern management systems and tools for increasing performance in public institutions at all levels
- **Developing coordination mechanisms among public institutions for better coordination of reform actions both horizontally and vertically, including a clear definition of public institutions mandates, including coordination mechanism for implementing macroeconomic strategies (e.g. EUSR and IMP).**
- **Developing, introducing and supporting the use of ICT tools and open data concept.**

820. All above mentioned main development needs are related to EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme concerning:

- Stepping up efforts to strengthen the capacity of public administration, in particular by improving efficiency, human resource management, the decision-making tools and coordination within and between different levels of government; and by improving transparency, integrity and accountability.
- Accelerating the absorption of EU funds, strengthening management and control systems, and improving capacity for strategic planning, including the multi-annual budgetary element.
- Tackling persisting shortcomings in public procurement.

### **The judicial system**

821. The issues related to the judiciary that need to be addressed are raised also in the last CVM Reports.

822. The judiciary has evolved in the years since Romania's accession; the level of public trust in the judicial system has steadily increased. According to the latest Eurobarometer on Justice (See: *Flash Eurobarometer 385 - Justice in the EU Report, November 2013, p. 14*), 44% of the Romanians trust the judicial system, which represents a major achievement as it shows an increase of more than 15% from the date of Romania's accession to the EU. However, Romania is still below the EU average public trust in the judiciary.

823. Continuing to improve the quality and efficiency of the judicial system, fight corruption at all levels, and ensuring the effective implementation of court decisions

(See: 2014 *EU Country Specific Recommendations*) require efficient and transparent frameworks and institutions.

824. For modernizing the judicial process, **new Civil and Criminal Codes were adopted in 2009, including the accompanying procedural codes.** The implementation process of the codes was established gradually, in order to ensure the tools for their smooth implementation (personnel, budget and infrastructure). The new Civil Code and the new Civil Procedure Code entered into force in 2011 and in 2013, while the Criminal Codes entered into force at the beginning of 2014. These Codes will have a decisive contribution to the modernization of the judicial system and will bring benefits for the efficiency, transparency and consistency of the judicial process.

825. Along with the adoption and implementation of the new codes other measures were taken and progress was made in order to sustain and naturally complement their implementation.

826. Thus, at the level of the judicial system there were several projects and analysis carried out which aimed at improving the performance and efficiency at its level. Thus, through a World Bank-funded project, ***Determining and implementing optimum workload of judges and court clerks***, carried out between October 2011 - May 2013, a new system for determining the optimum workload for judges and clerks was identified, as well as the appropriate tools for implementing and monitoring the respective system at the level of the management of the courts are to be further developed.

827. The judiciary also benefited in the period February 2012 - March 2013, along with other central Governmental institutions, of a ***functional review undertaken by the World Bank*** on the effectiveness of the organization and functioning of the judiciary in the context of the general concern for improving the administrative performance.

828. In order to further strengthen the reform, a **draft Strategy for the development of the judicial system** has been prepared through the common work of the relevant stakeholders at the level of the judiciary (the Ministry of Justice, Superior Council of Magistracy, Public Ministry with its specialized structures, namely the National Anticorruption Directorate and the Directorate for investigating organized crime and terrorism, High Court of Cassation and Justice). It is expected that the strategy will be adopted in the first part of 2014.

829. The Strategy sets the development directions of the judiciary for the next years also in accordance with the recommendations of the World Bank experts made on the recent project undertaken in the area of justice.

830. The Strategy's main objectives aim at further modernizing the judicial system by establishing strategic management at the level of the judiciary, efficient use of resources, innovative solutions to increase performance, greater transparency and integrity of the judiciary and its accessibility to the citizens. Achieving of all these targets sets the basis for an increased public trust in the institutions of the judiciary.

831. Based on the Strategy's main targets and objectives, through the support of national, ESI funds and other sources of financing, the Romanian judiciary **will aim at:**

#### ***a)Increasing the efficiency of justice as public service***

- The conclusions and recommendations of the two World Bank projects (***Determining and implementing optimum workload of judges and court clerks and the Functional review***) stressed, in the context of ensuring a smooth implementation of the new codes, on the importance of implementing quality indicators and of optimum workload at the level of the courts, improvement of the judicial statistics, better coordination of actions between the key actors within the judiciary a to ensure a performing strategic management of the judicial system.
- The new laws on the enforcement of criminal penalties and on the probation system will have a massive contribution in improving the effectiveness of the justice system. Nevertheless, the newly created **National Probation Directorate and the National Administration of Penitentiaries** require further capacity building support, in order to efficiently enforce the new criminal legislation.
- Thus, the strategy aims at achieving the following **expected results**: A coherent vision of the strategic management at the level of the judiciary established; the implementation process of the new codes (civil / criminal, civil procedural / criminal procedural) finalized; the organization and functioning of courts and prosecutors' offices optimized; detention conditions improved and social reintegration of inmates increased.

#### ***b)Strengthening the institutional capacity of the judicial system***

- The need of ensuring an adequate reform of the judiciary, as well as strategic measures at the level of the judicial system involves, necessarily, the **institutional strengthening** of key actors in the system in order to better serve their functions in accordance with their competence and thus ensure sustained reforms in the judicial system (the Ministry of Justice, Superior Council of Magistracy, High Court of Cassation and Justice, Prosecutor Office attached to the High Court of Cassation and Justice, National Anticorruption Directorate, Directorate for Investigating Organized Crime and Terrorism, National School of Clerks, National Institute of Magistracy, National Administration of Penitentiaries, National Trade Register Office, National Probation Directorate).
- After setting up in 2011 the office for **assets recovery** in the Ministry of Justice, further steps for strengthening the overall efficiency of the national system for tracing, managing and recovering assets originating from crime were identified (independent audit carried out by Basel Institute for Governance as well as the peer review carried out by European Commission and EUROPOL) and are to be implemented on mid-term. These include better interagency coordination in enforcing the new legislation, as well as establishment of an asset management infrastructure.
- Thus, the following **results are expected** to be achieved based on the Strategy: the legal framework strengthened; the institutional capacity at the level of the institutions within the justice system strengthened; the national asset recovery system and valorification of proceeds of crimes strengthened; the administrative capacity of courts and prosecutors' offices strengthened.

### ***c)Ensuring the integrity at the level of the justice system***

- At the beginning of 2012 (Law no.24/2012), Romania strengthened the legal basis for **judicial accountability**.
- In the area of judicial accountability, the **new disciplinary offences and sanctions** allow the **judicial inspection** to carry out more targeted, swift and proactive disciplinary investigations, and develop a stronger advisory capacity within the inspectorate for shortcomings of judicial organisation, procedures and practice.
- Also, stronger legislation to promote **integrity** within the judiciary itself and a law introducing extended confiscation of criminal assets have been adopted.
- As regards **fighting corruption and promoting integrity**, it was acknowledged that Romania has made important progress in the prosecution and trial of high-level corruption cases and that the National Anti-Corruption Directorate (DNA) maintained its track record, with a significant increase in the number of indicted defendants and in the number of successful prosecutions.
- In the area of the **accountability and transparency of the judiciary**, steady progress has also been registered in the enforcement of the **National Anticorruption Strategy (NAS) 2012-2015**.
- However, financial support is still needed for the implementation of the **NAS** and of the **Strategy for strengthening the integrity within the judiciary 2011-2016**, whose purpose is to increase the confidence of the population in justice, while its final objective is to provide a high degree of competence of the judicial system. The targets expected to be achieved are: correct decisions, available to the public, proceedings carried out in an optimal period, incorruptible staff and unitary judicial practice. In this context, further support for DNA and other institutions/agencies involved in fighting/preventing corruption should be ensured as to strengthen their capacity of intervention.
- In this specific domain, the **expected results** are the following: the integrity of the judicial system strengthened by promoting anti-corruption measures and standards of professional ethics; the statute of legal professions related to justice system modernized in order to strengthen ethical standards: mediators, arbitrators, lawyers, experts, notaries, insolvency practitioners, bailiffs, translators and interpreters.

### ***d)Ensuring the transparency of the act of justice***

- Since November 2013, intra-judicial information system **ECRIS** allows automatic access to the court decisions of all other courts of the country to all judges and court clerks, following a SCM decision. Moreover, all decisions of the HCCJ are now available on-line on its website in the form of summaries of the relevant decisions and integral text of the decisions rendered by the HCCJ. However, there is still a need to develop **one full electronic database where court decisions**, including the decisions of the High Court of Cassation and Justice, will be published on.
- Besides, the latest CEPEJ report (See: *CEPEJ Studies no. 18, European Judicial Systems, Edition 2012*) raises the attention on the need to ensure citizens' **easy**

**access to obtain practical information** about their rights or the courts' activity, or directly the forms enabling them to enforce their rights and as well as information regarding laws, procedures and courts, from official websites. In this context, financing is needed for the complete digitization of the judiciary in Romania, by implementing the **e-file**.

- The following **expected results** are envisaged: relevant motivated judgments published; the mechanisms for providing information to parties and access to documents in the court in a timely manner improved, including through the development and access of the public to the e-file services.

#### *e)Ensuring the access to justice*

- **Improving the access to justice**, especially in the context of enforcement of the new Codes, comprises a cluster of measures, starting with ensuring adequate courts premises (courtrooms, courts archives) and continuing with awareness campaigns on the major law changes, better legal aid services, increased online access to courts' activity and services by developing e-tools to this purpose.
- **E-justice** projects are also needed for the key institutions of the judiciary such as the commercial courts, the National Trade Register Office as to fulfil their missions in relation to the business environment, as to sustain the enforcement of important pieces of legislation, such as the upcoming new insolvency legislation.
- **Specialisation of courts** can also help to address particular blockages in the system and to support the business environment in Romania. Thus, in Bucharest, setting up of a Commercial Tribunal is planned for the near future. The law was adopted by the Parliament late in 2013, and the Tribunal is expected to start functioning in 2014. It will deal with all professional litigation as a specialised court on company law and insolvency, aimed at ensuring better quality and speed of court procedures.
- Thus, the Strategy for the development of the judiciary aims at achieving the following **expected results**: the legal aid system strengthened; the communication at the level of the judiciary improved.

#### *f)Improving the quality of the act of justice*

- As regards the **consistency of the judicial process**, important steps have been taken in terms of **unifying the jurisprudence**. Among the initiatives taken in this regard, one can mention the mechanisms provided by the new legislation such as: improvements of the appeal in the interest of the law, the preliminary ruling procedure etc. Also, measures have been taken in order to reduce the workload at the level of the courts such as encouraging the use of **mediation** as an alternative method for dispute resolution.
- In the context of the adoption and implementation of the new codes, given the large number of revisions and changes that took place, the need for **training** of all practitioners involved in the justice system - judges, prosecutors, lawyers, clerks, staff from the probation/prison system etc. – has increased significantly. The training of the practitioners will improve their knowledge and will offer the

opportunity for discussions on the new developments in legislation, as well as on relevant jurisprudence.

- Therefore, initial and continuous training of the practitioners involved in the act of justice is a long term goal that requires substantial financial support.
- Thus, the following **results are included** in the drafted Strategy: the length of judicial proceedings reduced; unified jurisprudence; interdisciplinary training of participants in the administration of the act of justice; the enforcement of judgments improved.
- Last but not least, all these reform priorities cannot be implemented without adequate **physical infrastructure**, considering the new codes adoption and implementation and given the large revisions and modifications operated.
- In this context, the **New Civil Procedure Code** provides for a new organization of the civil process involving a series of changes in the organization of the trial such as the separation of the public hearing held in courts of first instance in two stages (the Council Chamber stage and the courtroom stage). There are 233 courts in Romania, functioning in 206 buildings. Besides the investments needed for making the courts premises suitable for enforcing of the new codes, also other major investments in the court buildings have to be undertaken. For example, an analysis performed in May 2013 by the Ministry of Justice reveals that an estimated number of 75 buildings in which function 89 courts have to be energetically rehabilitated. Also, the penitentiary units have to be energetically rehabilitated as their physical infrastructure requires significant investments according to the European standards on imprisonment.
- Moreover, out of total 206 court buildings, 48 are historical monuments and another 10 are situated in historic districts and thus being subject of limitation in terms of rehabilitation. Mention should be made that some of the monuments are located in representative urban centres that have a significant endowment of culturally important buildings.

### **ICT for modernizing the Judicial System**

832.The further development of ICTs in the justice system will make a significant contribution to improving strategic management, accountability, transparency and efficiency of the judiciary, and thereby enhancing access to justice. Investment is needed in order to further support the development of the use of the IT within the judiciary, in line with the strategic e-justice objectives and best practices applicable in the field.

### **Main development needs**

833.The **main development needs** for the judiciary refer to continuing the fulfilment of the main benchmarks and objectives of the reform and development of the judiciary towards a more efficient, transparent and accountable system. Based on the main areas of the above-mentioned Strategy for the development of the judicial system, further support is needed in order to accompany the reform process.

834.Thus, the main development needs are **strengthening the organisational and administrative capacity** of the judicial system (Courts, prosecutor's offices and main

central bodies of the judiciary: Ministry of Justice, High Court of Cassation and Justice, Public Ministry, National Anticorruption Directorate and Directorate for Investigating Organized Crime and Terrorism) and developing the **human resources** in terms of professional knowledge and skills for a proper implementation of the new judicial Codes and the new legislation, including the European acquis.

835. Moreover, improving **access and quality of justice** with a view of increasing public trust (using various tools such as opinion polls and surveys, public campaign of information, but also the publication of judicial decisions and the public access to them), while ensuring **transparency and integrity** (based mainly on the implementation of the National Anti-Corruption Strategy and the complementary measures in this area) within judiciary are key development needs for the success of the reform.

836. All the above requires **support measures** through investments in the physical and IT infrastructure of the justice system, as well as continuous training programmes for magistrates and clerks.

837. All above mentioned main development needs are related to EC recommendation on Romania's 2014 national reform programme and delivering a Council opinion on Romania's 2014 convergence programme concerning continuing to improve the quality and efficiency of the judicial system, fighting corruption at all levels, and ensuring the effective implementation of court decisions.

### **Cadastre and land registration system**

838. Romania is composed of 3181 territorial administrative units of which 2861 are Territorial Administrative Units UAT s located in rural area (communes). The total number of immovable assets in Romania is estimated at 40 million land parcels of which 32 million land parcels are in rural areas and 8 million parcels in urban. Up to date only 9% of rural properties are registered in the cadastre and land book system managed by the National Agency for Cadastre and Land Registration.

839. The lack of reliable information on real estate rights is affecting the development of both rural and urban areas, with infrastructure, growth, social development. This situation impacts the preparation and implementation of structural investments financed by the European Union, as well as other development programmes and infrastructure investments. The lack of information on property rights often leads to major delays and there is often significant effort required in order to investigate rights over the land identified as required for the project and ensuring that fair and just compensation is paid to those who lose property. The systematic land registration will also contribute to the preparation for farmland consolidation and agriculture land commercialization.

840. The system of cadastre and land book is an integrated electronic system (called eTerra) implemented and maintained by the National Agency for Cadastre and Land Registration. The eTerra system covers the entire country and ensures a system for the electronic registration of immovable assets and the management of the databases. For the purpose of achievement the systematic cadastre, the eTerra system need to be improved and some investments are needed in hardware, software, maintenance and licenses. As well as the system itself, assistance is required to support complex activities in different areas: technical (mapping, surveying), legal (collecting in the field the ownership deeds,



analysing the legal deeds), social and communication (conducting awareness campaign in the local communities, interacting with local people and with vulnerable communities in the project areas).

841.Also, in the performance of the cadastre work there is the need for the participation of a number of different entities: local authorities, cadastre companies, counties offices for cadastre and land registration, local population. The staff of all institutions involved has to be trained in the specific activities necessary for development of the cadastre, as well as the top management in areas effecting the overall management, implementation and monitoring of the system.

842.The main problems caused by the incomplete property records are:

- *Constrained land market, access to credit, investment and revenues.* The high cost of registration and the formal resolution of succession encourages informality limits land market activity, blocks access to formal credit markets, discourages investment and limits property tax assessment and collection.
- *Difficulties in managing natural resources and responds to climate change.* Neither privately nor publicly held forest lands have been registered, which hinders their management and the lack of basic information constrains programs to address climate change and other environmental concerns.
- *Delays in social inclusion.* Many homes and farms of the poor and disadvantaged are held without legal rights (this is often the case with rural Roma settlements).

843.Registration, sporadically, on an as needed basis, has proven too inefficient and expensive for the majority of Romanians to access. This also applies to public lands, which are poorly demarcated, registered or designated within the public sector.

844.Since 1989, a large number of properties have gone through the process of restitution. This process was developed in the cooperativized areas (of the past socialist period) and has been slow but is now mostly completed (about 95% of claims for restitution have been settled) resulting in property deeds being provided to eligible owners, but this has not progressed to the registration of those deeds. These deeds are being registered sporadically and this will take a long time to complete the land books and register. In the non-cooperative areas (about 37% of the Romanian territory) a significant percentage of the current land owners have no legal documents (property deeds) for the land and buildings they possess. This delays farm restructuring and decreases farm competitiveness.

845.As a result of the registration of both private and public properties, the rural communes will meet one of the most essential conditions of accessing the EU programs in the field of local infrastructure development: the ability to undertake the development of public utilities networks, of street networks, and the rehabilitation of public interest building etc.

846.For urban areas, it is considered that the registration property will be done through a public service concession (Government Decision no. 448/2013, July 4, 2013) or by stimulating local authorities in order to achieve a systematic cadastre from local funds or

other sources. The registration of properties will be approached in a systematic manner, similarly for urban and rural areas. National Agency for Cadastre and Land Registration will achieved a several pilot projects, in order to establish a fast registration of the properties in urban areas.

### **Main development needs**

847. Informed by the findings of the analysis of Development Challenges and the SWOT Analysis (*See file SWOT Analysis.docx*), **the main development needs** can be addressed by improved land registration services are:

- Improving registration and mapping systems in rural areas for better land and credit markets and investments. Systematic registration of property rights will increase tenure security, facilitate improved land markets and access to institutional credit and thus improve the economic and social development of the rural population with a substantial increase in intangible property revenues.
- Improving resource mobilisation. The existing land records will form the basis for updating the rural land register and the cadastre and taxation records. These databases will be made available for PIAA, public authorities and institutions, public notaries etc., and will support better and more equitable collection of property taxes.
- Enhancing inclusion. Progressing systematic registration will include support services to identify and facilitate formalization of property possessed by legitimate occupants without valid legal documentation.

### **1.2. A summary of the ex-ante evaluations of the programmes or key findings of the ex-ante evaluations of the Partnership Agreement where the latter evaluation is undertaken by the Member State at its own initiative**

848. Romania took the decision to contract ex-ante evaluation as an independent method to improve the coherence and quality of the PA. The ex-ante evaluators were asked to respond to three sets of questions revolving around (i) the internal and external coherence of the PA 2014 – 2020; (ii) the administrative capacity of authorities and beneficiaries; (iii) the electronic systems for the exchange of information between authorities and beneficiaries. This section concentrates on the first set of questions and will be updated once various versions of the evaluation reports are made available by the evaluation team.

849. During the period March 2013 – June 2014 the evaluation of the PA was conducted in four stages based on the following versions: PA consultative document (31st May 2013), PA working document (August 2013), PA first draft (October 2013) and PA official version (uploaded in SFC 2014 on 1st April 2014). Throughout the programming process, with the support of evaluators a series of validation seminars were organized on the topics related to the internal coherence and fulfilment of the ex-ante conditionalities. Debriefing meetings with main stakeholders were also held in order to discuss the main findings, conclusions and recommendations of the evaluation exercise.

850. In order to facilitate the evaluation of internal and external coherence of the Partnership Agreement, a combination of evaluation methods and techniques was used for each evaluation question.

851. At the end of the fourth evaluation stage, the evaluators appreciated that the official version of the document was significantly improved and that the analysis of the disparities and development needs is adequate. The partnership principle has been respected in the formal development of the PA with all necessary parties represented in the Inter-ministerial Committee for the PA (ICPA) and working groups, active consultation and discussion between line ministries, programmers and other stakeholders. The OPs chosen appear logical and encompass all TOs. The thematic concentration requirements set in the ERDF and ESF regulations generally seem to be met although the requirements for ESF allocations and sustainable urban development need to be further detailed as does the allocation of resources to Climate Change. In comparison to identified need and distance from the E2020 targets, insufficient funds would appear to be allocated to TO1, TO2 and, to a lesser extent, TO10.

852. Evaluators found that there is generally a link between the investment priorities and the results sought, but improvements are still needed. The PA is much clearer on the use of CLLD, ITIs and the integration of the Danube Strategy, but the territorial development priorities need to be translated into actions as well as results and the links clear among the various priorities of territorial development and the TOs.

853. According to the evaluation report findings, the PA identifies and analyses the vulnerable groups in the different sections of the document. Although a section dedicated to the specific geographical needs is presented, there is limited link between the geographical disparity and the actions

854. Evaluators found that the analysis covers the main problems related to the difficult access to finance, although the justification to extend the FIs funded from ESIF needs more clarity.

855. In terms of ex-ante conditionalities, evaluation report points out that the process within the MEF for monitoring progress and assisting and advising line ministries on ex-ante conditionalities is in place and well supported by Government/senior decision-makers.

856. The main recommendations of the evaluation referred to specific improvements on the analysis in PA, the link between main development needs and proposed priorities for funding, selection of the results, allocation of funds to certain TOs, alignment to the territorial issues, the justification for using FIs.

857. Consequently, improvements of the analysis have been carried out related to Overview and Macroeconomic policies chapters, a clearer insight into the causes of lack of engagement or business focus in the field of R&D and the problem, causes and categorisation of poverty. The recommendation concerning making more concise the text related to 'poverty', 'climate change adaptation, risk prevention and management' and 'the cadastre and land registration system' was not addressed due to the interest of various stakeholders to find sufficient evidences grounding the needs and problems of the themes in questions. A better link between main development needs and proposed

priorities for funding was achieved in almost all indicated areas. The results have been revised in the light of the concept paper issued within the ex-ante evaluation exercise. The ERDF support for TO 1 (RDI) was increased with 75 million euro, by reallocating 50 million euro from TO 4 and 25 million euro from TO 7. Recommendation for supplementing the allocation for TO 10 was not possible to be implemented due to the scarce amount of funds available to address the relevant needs attached to all 11 TOs. The territorial development priorities have been linked with the instruments for the integrated approach like LEADER, CLLD, ITI, SUD. The five territorial development priorities have been translated into actions within each instrument for integrated approach. The recommendation concerning the links among the various priorities of territorial development both within the thematic objectives, as well as within the Operational Programmes, has been partially implemented considering the lack of an official Territorial Spatial Strategy in Romania that can be used to make the recommended links. Justification for using FIs will be enriched at the level of the operational programmes and based on the related ex-ante assessments. The monitoring arrangements for assessing the degree of fulfilment of ex-ante conditionalities will continue to be in place, once making operational the thematic coordination committees foreseen in section 2.1 of the PA.

858. As regard the ex-ante evaluation of operational programmes, the Ministry of European Funds has commissioned and is responsible for the management of evaluation for the following OPs: Large Infrastructure, Competitiveness, Human Capital, Administrative Capacity, Technical Assistance and Regional Operational Programme. The evaluations started in December 2013, with the exception of Large Infrastructure OP evaluation which was launched in February 2014.

859. Where relevant, the ex-ante evaluation includes the Strategic Environmental Assessment (SEA).

860. For the OP Competitiveness, there were four iterations of the evaluation report, covering all evaluation questions. The evaluation found that the identified national challenges and needs are in line with the Europe 2020 objectives and targets, the Council recommendations and the National Reform Programmes and the investment priorities and their specific objectives reflect these challenges and needs. However, the evaluator recommended a more coherent presentation of the challenges and needs and a better strategy to tackling them. A better justification for the selection of thematic objectives and investment priorities, merging the two actions related the Financial Instruments for R&D and a better identification of the synergies with Regional OP were also recommended. A need for a clearer formulation of actions, mainly for the PA 2 Information and Communication Technology for a competitive digital economy and for strengthening external coherence with Human Capital OP an Administrative Capacity OP was emphasised. Recommendations for choosing adequate results and output indicators and for the selection of indicators for performance framework were made. For some questions, related to the financial allocations, performance framework and the monitoring system, the necessity for further analyses within ex-ante evaluation appeared. Three rounds of discussions related to the findings of the evaluations and the intervention logic took place between evaluators and programmers and other relevant stakeholders. Two other separate meetings (one for R&D priority axes and one for ICT) were organized for discussions of DG Regio comments on the first draft of the OP. Further meetings and interviews are foreseen. Concerning SEA, screening exercise concluded that the

programme will not generate significant environmental effects and thus an environmental permit is not necessary.

861. For the OP Large Infrastructure, there were four rounds of iteration of the evaluation report, covering all evaluation questions. During the evaluation exercise, a need for a clearer presentation of the needs and challenges in relation to the national strategies in each area has arisen. A better alignment of the strategy to the identified needs was also suggested, including reorganization of the priority axes, a new approach for better understanding of the logic of intervention and improvement of the specific objectives, results and outputs. A new structure of the transport sector priority axes was recommended and accepted by the programmers. Recommendations were formulated related to the result indicators, underlying the necessity to have clear definitions and methodologies for their calculations and sources for data. The findings of evaluations were extensively discussed with programmers and other relevant stakeholders during several working meetings and workshops. A special dedicated workshop for better identifications of the adequate results and output indicators was held with a large involvement of stakeholders. Problems were identified in assessing the budgetary allocation and the performance framework, evaluators underlying the necessity to deeper their analysis. Others questions raising certain difficulties are those related to the administrative capacity and monitoring system, as the structure of the managing authority is not yet formally established. Large Infrastructure OP is subject of Strategic Environment Assessment, this exercise being part of the ex-ante evaluation. The environment report is under development and there were two meetings of the Working Group special set up for this purpose. SEA for LIOP will also take into account the Strategic Environment Assessment that has been completed for the Transport Master Plan.

862. In the framework of the ex-ante of the Regional Operational Programme 2014-2020, a first evaluation report was provided in April 2014 and another one in June 2014. The last evaluation report analysed the draft ROP 2014-2020 released on the 17th June 2014. The independent experts worked in close interaction with the programmers, the various interim evaluation reports evolving and adapting along with the development of the OP. Two rounds of discussions related to the findings of the evaluations and the intervention logic have already taken place. Further meetings and seminars are scheduled. The Regional Operational Programme is subject to the Strategic Environment Assessment which is a part of the ex-ante evaluation exercise. The environment report is under elaboration and three working groups have already been held. In the framework of the ex-ante evaluation Regional Operational Programme 2014-2020 at this stage of development, the analysis was focused on the internal and external consistency of the programme and the proposed indicators. In this sense, the external coherence of the ROP is confirmed with respect to the analysed overarching strategies and documents, demonstrating its relevance within the existing policy framework. As regards the consistency with the other OPs, the ex-ante evaluators concluded that there is a high level of coherence and complementarity between ROP and COP, OP HC, OP AC, OP LI, NPRD. With a view to the internal consistency, it was concluded that in some specific cases additional information should be included in order to provide more evidence on the selection of the TOs. In terms of indicators, the ROP 2014-2020 indicator system provides both common and programme-specific output indicators, as well as result indicators for most specific objectives. As concerns the relevance of the indicators, in

general terms, the output indicators can be considered relevant and linked to the activities.

863. For the HC OP three feedback reports were provided by the ex-ante evaluator in March, April and June 2014, focusing on external consistency and intervention logic. The ex-ante evaluation of Human Capital Operational Programme induced a participatory approach and is accompanying the entire programming process, ensuring a close link with programmers. A large launching conference was organized on 3rd December, 2013 with a participation of public institutions, NGOs, trade unions, etc. Various feedback events have been also organized, such as expert panels, workshop on designing indicators, regional workshops for beneficiaries. At this stage of development of the Human Capital Operational Programme (June 2014), the main conclusions and recommendations included in the draft ex-ante evaluation report have been presented for evaluation questions related to external and internal consistency of the OP. In terms of external consistency, the ex-ante evaluators concluded that the HC OP achieves an overall good consistency with the Europe 2020 strategy, with the National Reform Programme as well as with the Partnership Agreement. Moreover, the HC OP is in line with the relevant key elements of the Employment package and presents a good consistency with the main national strategies. Regarding the link with other operational programmes, the general conclusion was that there is complementarity and synergy between the specific objectives of HC OP and those of the other OP. In few specific cases, the ex-ante evaluators recommended inclusion of additional information. As regards the internal consistency, the challenges related to employment, social inclusion and education are clearly presented, based on statistical data, even if the information source is not always mentioned. The selection of the Priority axes is based on the identified needs and the Investments Priorities are generally consistent with and adequate to address the challenges identified. Only in the case of IP 3.4, the link has not been proved and in this specific case, the evaluators recommended more evidence regarding the needs in terms of workers and enterprises adaptation to change.

864. The ex-ante evaluation of the Operational Programme Administrative Capacity was carried out alongside the preparation of the OP AC on an interactive and iterative basis, by combining the written reports and meetings to discuss and clarify the findings and recommendations of evaluators. The approach allowed a timely assessment during the programme drafting progress and its improvement. One interim evaluation report has been issued on the first consultative document of OP AC (18th March 2014). The second evaluation report covered the OP AC version dated 13th June and covered almost all evaluation questions. In terms of participatory approach, the evaluators and programming persons met twice in order to discuss the available elements of the program, namely Section 1 and Section 2 to 2.A.2 of the OP Template. External coherence assessment included also the organization of a focus group with the purpose to identify the complementarities or overlaps between OP AC and other EU funded programmes. In the second evaluation report, the evaluators concluded that the Programme is substantially in coherence with the CS, PA, CSRs and draft Strategy for the Development of the Judiciary. There are clear complementarities with COP, OPHC, OPTA, ROP, NPRD and other EU/ national instruments as well as clear synergies due to the horizontal need for the strengthening of the public administration. The Programme is substantially in coherence with the needs of the country and policy makers in the sectors benefiting from the OP. The most of the suggested indicators are relevant to the activities and for a number of indicators there is a good output-result chain. Most indicators are clear and

measurable, but it is recommended to further fine-tune them. In addition, a large number of indicators (e.g. number of participants in training and number of certified staff) would provide easy opportunity for aggregation. The indicator targets and performance framework will be assessed when quantification data becomes available.

865. The ex-ante evaluation of the Technical Assistance Operational Programme induced a participatory approach, which accompanied the entire programming process. The interactive approach of the evaluation was also reflected through different feedback events organized such as workshop regarding the logic of intervention of the future TA OP. In order to assure an extensive involvement of the stakeholders in the ex-ante exercise, a large launching conference was also organized in the beginning of evaluation exercise. Three feedback reports were provided by the ex-ante evaluator encompassing the external consistency of the TA OP with the TA axis of other operational programmes and strategic documents and the logic of intervention. The main conclusions of the last ex-ante evaluation report based on the June 13th version of the Operational Programme Technical Assistance are related to the external and internal consistency of the programme and indicators. The ex-ante evaluators stated that, in general terms the OP TA is consistent both with the strategies and the relevant documents at European level, but also with other national interventions of technical assistance from other OPs. The analysis of the internal consistency revealed the correct identification of the development needs. The logic of intervention of the OPTA is coherent and follows a logical structure, starting from identification of needs, definition of specific objectives, expected results, result indicators and actions that contribute to the realization of the specific results. However, actions can be redefined, in order to describe more specific interventions that contribute to the result of the OP. The ex-ante evaluators recommended the inclusion in the needs analysis of the equal opportunity principle and its application in all programme implementation phase, to ensure that equal access and chances are provided to all. As regards the indicators, the conclusion is that both result and output indicators are relevant. In terms of contribution of estimated outputs to results, there is a causal link between all the estimated outputs and their correspondent result indicator. With respect to external factors which can influence the result indicators, some of them may include economic situation in the country, institutional changes and political instability, beneficiaries' capacities, changes in the public procurement rules and procedures, potential infringements during the implementation process and the level of complexity of the structural instruments implementation system. In terms of plausibility of target values set for indicators, most of the indicators of Priority Axis 1 are characterized by high / medium plausibility of target values, and the target values for indicators of PA 2 and PA 3 could only be partially assessed. In terms of human resources and administrative capacity, certain issues were identified in the area of clear assignation of staff, work load, number of staff of implementation structures. With respect to monitoring and data collection, there is limited information on the planned arrangements for the timely collection and aggregation of statistical data and their publication. In order to fulfil the conditionality on Statistical data and indicators, the Programmer is elaborating "Fiches" for each of the indicators.

866. The ex-ante evaluation for the National Rural Development Programme 2014-2020 is organised under the responsibility of Managing Authority for NRDP and commenced in January 2014. The evaluation also includes the SEA. The evaluator performed the ex-ante analysis of the SWOT, needs assessment and strategy of the Programme, in a first stage. The second interim report was submitted at the beginning of June 2014 and

contains the preliminary analyse of Strategy, measures, indicators, building capacity, horizontal themes and the sub-thematic programme. The evaluation was enhanced based on the results of the interviews and focus groups. The preliminary final report, including the draft of Environmental Report, was delivered in order to be attached to the NRDP 2014-2020 officially submitted to the European Commission on 1th July 2014.

867. The ex-ante evaluation for the Operational Programme for Fisheries and Maritime Affairs 2014-2020 is organised under the responsibility of the Managing Authority for OPFMA. Related procurement documentation, including for SEA, has been elaborated, being currently subject of approval within the Ministry of Agriculture and Rural Development. Procurement documentation will be published in due time so that evaluators will be available in due time to support the programming exercise.



### **1.3. Selected thematic objectives, and for each of the selected thematic objectives a summary of the main results expected for each of the ESI Funds**

868.The analysis reveals Romania's continuing and, in some cases, widening disparities with the EU across a broad in spectrum of issues. Accordingly, in the 2014-20 period, Romania will make investments using ESI Funds resources under all 11 Thematic Objectives that relate to the EU 2020 strategy.

869.The selection of Thematic Objectives relates to their alignment with and potential contribution to the five Challenges and the related main development needs (*See DataFile\_Annex Ro\_PA.docx, Table 17*).

870.Quantification of Romania's socio-economic needs and technical deficits undertaken as part of the analysis exercise makes clear that full absorption of ESI Funds can meet only a fraction of these in 2014-2020. However, factors from the analysis that have helped to determine the high level distribution of resources include:

- the limited absorption capacity of businesses and innovation providers reflecting the sectoral structure and size distribution of the business base, the focus on growth and jobs notwithstanding.
- the extent to which Romania's investment choices are pre-determined by the Acquis, and obligations to international funding institutions requiring a strong focus transport and water projects.

871.Simulations of the ESI funds using HEROM model show variations of macroeconomic indicators projections for different allocation scenarios. The most effective scenario is no 1, characterised by a predominant allocation in infrastructure. Based on these estimations, the option is expected to produce the best impacts on GDP, employment, unemployment and labour productivity. Consequently, based on the results of HEROM macro-economic model, the chosen option was to show preference of directing the bulk of available financial resources towards those thematic objectives that are more oriented towards infrastructure and maintaining ESF allocation at the minimum level imposed by the legislative framework.

872.On the other hand, the reason behind the policy choices on the distribution of ESF allocation among Thematic objectives 8, 9 and 10 was related to potential of growth generation, occurring mostly in the first and last cases. Eventually, Thematic Objective 9 will benefit by leverage effect of Thematic Objectives 8 and 10 and of all other thematic objectives included in the Partnership Agreement strategy.

873.Concerning the estimation of the financial resources for TO 11, the experience of 2007-2013 programming period has shown a mismatch between 2007-2013 OPACD allocation (of only 208 million euro) and the needs, expressed by the value of projects submitted to access funds from the programme, the last being almost double in comparison with the available allocation. The strategy of Partnership Agreement will capitalize on the results achieved during the 2007-2013 programming period in the field of public administration and will continue the interventions for improving the structures and processes in the sector and the delivery capacity of the public services, as required by national strategic framework and the Country Specific Recommendation 6. In addition to

persevering in achieving the objectives of good governance and efficiency, effectiveness and access of public services, the Partnership Agreement is pursuing supporting major sector reforms in Justice sector, according to national strategies and commitments and Country Specific Recommendation 7.

874.Distance to national targets in relation to Europe 2020 strategy, national strategic documents and country specific recommendations has been also considered when allocation of funds has been proposed for specific thematic objectives.

875.Additionally, distribution of resources is to some degree conditioned by the rules on thematic concentration and the disaggregation of the ESI Funds into five Funds.

876.Within the envelope of these constraints, Romania has made a positive choice to use the ESI Funds to move Romania's economy and society forward in a balanced manner, having particular regard to the territorial challenges in generating growth and jobs in the country's less developed regions:

- 20.98% of the national ERDF allocation will be allocated to TO1 - RTDI; TO2 - ICT; TO3 -SMEs. 1.17% EAFRD to TO1;
- Additionally, some 28.54% EAFRD and 50% EMFF will contribute to TO3, respectively aiming to increase the competitiveness of the rural and fishing economy and aquaculture sector.
- TO4, concerned with low carbon transformation will be a major focus and will attract 30.28% of the national ERDF allocation, 2.3% from CF allocation, 6.07% EAFRD and 2% EMFF;
- For environment sector, around 6.9% of CF will be dedicated to TO5, to TO6 both fund ERDF and CF will contribute, namely 8.64% ERDF and 41.71% CF. 33.08% EAFRD for TO5 and TO6. Additionally, 22% EMFF will contribute to TO6, preserving and protecting the environment and promoting resource efficiency
- Reflecting Romania's infrastructural deficit and its critical role in supporting growth, will be dedicated to TO7 Sustainable Transport 25.44% of the national ERDF allocation and 49.09% of the CF allocation;
- For TO8, Employment around 32.76% will be allocated of the total national ESF allocation to which is added 6.61% from EAFRD and 20% EMFF;
- Around 23.75% of the national ESF allocation will target TO9, Social inclusion, including social services and a further 26.33% TO10 Education. Supporting investments in social and educational infrastructure, will be made using 8.23% contribution from the ERDF national allocation for these two objectives. 22.31% EAFRD for TO9 and TO10.
- Around 11.12% from the national ESF allocation will be dedicated to TO11, Institutional capacity/efficiency.
- For technical assistance, will be allocated 3.02% ERDF, 6.03% ESF, 2.23% EAFRD and 6% EMFF. .

877. In addition to support from ERDF under TO 2, it is envisaged that EAFRD will support (indicative 25 million euro), under TO 9, broadband infrastructure in rural areas (white areas) under Leader local development strategies, where identified as a local development priority.

### **Development Challenge 1 “Competitiveness and local development”**

878. In order to tackle this challenge, a multi-dimensional approach will be followed for the interventions under the **TO 1, 2 and 3**.

879. The concept of competitiveness is applied both at the level of country in terms of maintaining or growing economic activity, and at the level of the business operating in the context of open markets for retaining or increasing their market share. In order to create new jobs it is necessary to improve the ability to drive innovation and research and development in products, services, business and social processes and models as well as improve business environment and the power to implement value chains on a large scale and therefore creating links within and outside the country.

### **Thematic objective no. 1: Strengthening research, technological development and innovation**

880. Interventions from ESI Funds under this thematic objective have been set in order to contribute to achieve the main objective to ***improve the conditions for research and development, in particular with the aim of bringing combined public and private investment levels in this sector to 2% of GDP***. Under TO1, RDI funding will support the smart specialisation priorities identified by the National RDI Strategy 2014-2020 and the national priority health as requested in the Commission’s position paper. Smart specialisation areas identified in other smart specialisation frameworks elaborated at regional or local level will also be supported. This will be done by supporting innovation in enterprises and capacity-building for R&I excellence and technological change. In rural areas innovation and the knowledge base will be enhanced through cooperation between the agriculture, food and forestry sectors and other actors and the creation of clusters and networks and use of advisory services.

881. The RDI component of OP Competitiveness will be developed in synergy and complementarity with the National RDI Plan and also in synergy with the European RDI Programme Horizon 2020. The research financed by EAFRD will be in synergy with the European Research Policy Horizon 2020 which is becoming more focused on practical issues and will provide financial support for new interactive formats and extra practically, as well as thematic networks and multi-actors projects. In the framework of the National RDI Plan, the national budget will support fundamental and frontier research complementing ESI Funds targeting support for applied research and innovation in business. Synergy will also be ensured through common RDI actions with complementary eligibility criteria. A new type of financing "Partnerships for Knowledge Transfer" will be used in OP Competitiveness to link enterprises with innovation support services and to provide them with access to research facilities, including infrastructures developed or modernised in the 2007-13 period.

### ***Development needs:***

- 1.The creation of a more compact and modern R&D environment that is focused on business's needs, societal challenges and technologies where Romania has world class potential, informed by the principles of smart specialization and in order to increase the commercialization and internalization of research;
- 2.The promotion of an enterprise and innovation culture throughout the education system and in business networked with all necessary forms of support, financial, managerial, technical, creative, in order to realise the latent potential in Romania's people and its businesses;
- 3.Adapting research activities to the needs of farmers and facilitating their access to research and innovation results and quality advisory services.

***Proposed Priorities for Funding:***

- 1.Supporting private RDI investments and research partnerships between enterprises and research organisations in order to foster the transfer of knowledge, technology and personnel with RDI advanced skills and to enable the RDI-based development of products and services in economic sectors with growth potential;
- 2.Promoting financial instruments aimed to support the risk of private investment in research and innovation and to stimulate innovative start-ups and spin-offs;
- 3.Developing the public and private research infrastructure, both as part of existing/emerging clusters, centres of excellence and other types of research structures (national / regional / EU), and in specific areas identified as priorities, based on existing potential and/or competitive advantage, such as health;
- 4.Unlocking the potential for excellence in research and innovation by creating synergies with the RDI actions of the programme Horizon 2020;
- 5.Creation and developing of innovation and technology-transfer support infrastructure in the public and private sectors (including the maritime domain), particularly in Romania's less developed regions, informed by the principles of smart specialization;
- 6.Advisory services to farmers, in order to improve the economic and environmental performance;
- 7.Encouraging the cooperation between farming /agri-business, forestry and food sectors, education, advisory and research in order to use the results in relation to pilot projects, development of new products, practices, processes and technologies, as applied solutions of research and innovation;
- 8.Adapting research activities to the needs of farmers and facilitating their access to research, innovation results and quality advisory services;
- 9.Setting up operational groups (farmers, researchers, advisors), which will form part of the European Innovation Partnership for agricultural productivity and sustainability.

### ***Synergy with other TOs:***

The proposed priorities for funding under the **TO 1** will be synchronized primarily with the interventions addressing **entrepreneurship and business models** under **TO 3**, but also with the measures targeting **employment, education and skills** under **TO 8 and 10** and the measures covered by **Digital Agenda** addressed under **TO 2**.

EAFRD through **rural development priority 1** will contribute to this TO.

### ***Expected results***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Higher levels of investment in RDI, both in the public and private sectors; increased number of innovative small and medium sized enterprises; an improved distribution of RDI activity across Romania's regions..*

**EAFRD:** *Increased number of cooperation actions; Operational Groups for European Innovation Partnership for agricultural productivity and sustainability created; increased number of new products, practices, processes and technologies developed and applied at farm level and in food industry.*

The above results will contribute to fulfilment of Romania's 2020 target of 2% of the EU's GDP to be invested in R&D.

### **Thematic objective no. 2 - Enhancing access to, and use and quality of, information and communication technologies**

#### ***Development needs:***

1.Strengthening the digital business environment

#### ***Proposed Priorities for Funding:***

1.Actions to promote ICT adoption by business, including e-commerce applications and innovation

2.Actions to develop e-government instruments for business and citizens (e-government 2.0)

3.Actions to develop cloud computing and social media collaboration technologies

4.Actions to provide modern online public services which ensure interoperability of different non-integrated systems, across sectors, regions and at national level, (increased coordination and efficiency of public resources to be promoted) and access to open standards for increasing transparency and administrative efficiency

5.Actions to ensure secure networks and systems

### ***Synergy with other TOs:***

Priorities for funding under **TO 2** will be synchronized with those addressing research, entrepreneurship and business models under **TO1** and **TO3**, the measures for employment and skills relating to the current and future workforce under **TO 10** and interventions such as reducing administrative burdens for business under **TO11**.

### ***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *More dynamic and competitive markets across Romania, with associated gains for consumers, arising from increased use of e-commerce; Improvements to public services and reduced administrative burden, both on businesses and citizens, arising from the implementation of e-government 2.0;*

### **Thematic objective no. 3 - Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector and the fisheries and aquaculture sector**

Interventions from ESI Funds under this TO have been set in order to contribute **to increase competitiveness of SMEs**, as these represent the backbone of the economy and are key drivers of growth, job creation and cohesion. This will be done by supporting investment in entrepreneurship, investment in the commercial exploitation of new ideas and research results, providing business advisory services and support the development of web-tools. The interventions to enhance the competitiveness of the agricultural sector will help to secure viable food production in system in Romania and contribute to job creation and maintenance and growth in rural areas.

### ***Development needs:***

- 1.The continued expansion and growth, including in international market of Romania's competitive manufacturing and high value added services sectors, in particular, automotives; ICT products and services; food and drink processing.
- 2.The transformation of Romania's traditional sectors - health/pharmaceuticals; tourism; textiles/leather; wood/furniture; creative industries; energy/environmental management and in agriculture, forestry and fishing where there is potential to grow, to increase added value or to sustain activity in the medium term through the exploitation of specialist niches or to increase competitiveness through innovation and market development.
- 3.The restructuring, consolidation and on farm diversification in order to improve competitiveness and viability of agricultural holdings and the adoption of modern and innovative production and marketing practices.
- 4.Attracting young people with the appropriate training in the agricultural sector.
- 5.Increasing the value added generated by agri-food sector.

6.The improvement to the competitiveness and entrepreneurship in the fisheries and aquaculture

7.The radical improvement to the business environment in terms of the availability of investment finance, the transparency and predictability of policy, the proportionality of administration and regulation, including through improvement to government use of ICTs.

8.The need to focus on creation of employment and growth by the blue economy.

***Proposed Priorities for Funding:***

1.Actions to improve the productivity of SMEs and to provide to growth opportunities and innovation, including supporting advanced technological investments, the application of design and other creative skills, enhancing access to business planning support, to technical consultancy, international markets;

2.Actions to improve access to finance, including, on the supply side, the provision of an appropriate range of financial instruments and, on the demand side, complementary soft actions to support investment readiness, such as business planning, briefing on investor requirements, reinforcement of financial management, etc.;

3.Actions to network businesses, to enhance knowledge spillovers and to facilitate their participation in supply chains, including those of international scale;

4.Integrated actions - sites, skills, investment support - to attract investment into Romania's less developed regions.

5.Actions to facilitate farm restructuring, consolidation, on farm diversification and to improve economic performance of farms, especially of small and medium farm, including on farm irrigation.

6.Actions to facilitate inter-generational change including encouraging the establishment of skilled young farmers;

7.Actions to improve and adapt the agricultural and forestry infrastructure such as access roads for agricultural and forestry holdings;

8.Actions to increase the value added generated by the fruit-growing sector

9.Actions to improve the economic performance of primary producers by better integrating them into the agri-food chain and short supply circuits;

10.Actions to support farm risk prevention and management through mutual funds and to facilitate the access to finance through financial instruments;

11.Actions to support growth and modernization of the agri-food sector, enhancing its capacity in adding value to agricultural products, especially in fruit growing sector.

- 12.The establishment and use of advisory services for the fisheries sector;
- 13.Collaboration between fisherman/aquaculture farmers and experts;
- 14.Actions to increase the competitiveness of maritime and marine businesses through partnership and innovation.

***Synergy with other TOs:***

The proposed priorities for funding under the **TO 3** will be synchronized primarily with those addressing **employment, education and skills** relating to the current and future workforce under **TO 8 and 10**, and the energy **efficiency and low-carbon economy** measures under **TO 4**. Development and innovation opportunities of SMEs will be supported through ICT investments (e-commerce) under **TO 2**. Not least, an important aspect is the complementarity with the **TO 11**, in order to reduce bureaucracy and administrative costs as impediments to economic operators and with **TO 7** to increase the operability of the customs. Also, synergy will be ensured with **TO 5** regarding investments in irrigation.

The **EAFRD** through rural development priority 2 and 3 will contribute to this TO.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased survival rate among young SMEs; Increased labour productivity of SMEs.*

**EAFRD:** *Increased productivity and added value in agriculture, forestry and food processing sectors; Reduced polarisation in agricultural holdings; Increased share of farms managed by skilled young farmers.*

**EMFF:** *Increased productivity and added value in the fisheries and aquaculture sector.*

The above results will indirectly contribute to fulfilment of Romania's 2020 target of 70% of the 20-64 year-olds to be employed.

**Thematic objective no. 8 - Promoting sustainable and quality employment and supporting labour mobility**

***Development needs:***

- 1.The attraction of investment into Romania's less developed regions through an integrated approach spanning infrastructure, sites, skills, and investment support.

***Proposed Priorities for Funding:***

- 1.Valorisation of the local specific tourism potential for local economic development;



2.Actions to enhance local development, based upon local cultural products and services.

***Synergy with other TOs:***

The proposed priorities for funding under the **TO 8** will be synchronized with interventions foreseen under **TO 2** in order to facilitate access to local cultural products and services through e-cultural tools; the investments aiming at the valorisation of tourism potential will be correlated with the measures foreseen under **TO 4** aiming to improve energy efficiency and costs reduction and with those foreseen under **TO 3** in order to increase the competitiveness of the development of the local business and with **TO 6** aiming to sustainable restoration, conservation of cultural heritage.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased added-value and quality of tourism local resources.*

**Development Challenge 2 “People and society”**

882.In order to tackle this challenge, a multi-dimensional approach will be followed for the interventions under **TO 8, 9 and 10**. Also, interventions under TO 2 and TO 11 will contribute to the achievement of the identified priorities for funding.

883.Assuring the availability of a "work ready" workforce to meet the needs of growing businesses and sectors and the attractiveness of areas as a location for investment will play a major role in promoting enterprise/self-employment, **having a direct impact on employment and labour mobility.**

884.Actions to develop of new businesses and social enterprises delivering public services, particularly in Romania's less developed regions and in rural areas, are expected to increase the **social inclusion and reducing poverty**. **In the field of social inclusion and reducing poverty**, an integrated approach will be promoted by covering measures from the following fields: education, employment social assistance, social entrepreneurship, housing etc.) targeting marginalized communities under risk of social exclusion.

885.**Regarding education and training** the availability of skills and expertise is fundamental to realising growth, particularly in knowledge intensive sectors, in the short and longer terms.

**Thematic objective no. 8: Promoting sustainable and quality employment and supporting labour mobility**

Interventions from ESI Funds under this thematic objective have been set in order to contribute to achieve the main objective **to reach the 70% national employment rate assumed by Romania through NRP**. This will be done by addressing the employability

issue in an integrated manner from the perspective of education, training and employment opportunities, as well as by focussing on the most affected target groups on the labour market (young people NEETs, elderly, women, rural population), according to the main development needs.

***Development needs:***

- 1.Sustainable integration into the labour market of NEETs (not in employment, education or training);
- 2.Increase participation to the labour market of job-seekers and inactive people, focusing on long term unemployed, older workers (55-64 y.o.), Roma, people with disabilities and people from rural areas;
- 3.Reduce regional and territorial disparities and enhance labour mobility.
- 4.Improve alignment of employment and workforce development services with the changing needs of the labour market in priority sectors identified under National Competitiveness Strategy and National Strategy for Research, Technological Development and Innovation 2014-2020;
- 5.Increase employment opportunities;
- 6.Diversification of the rural economy, by promoting the creation and development of business and jobs, outside agriculture.
- 7.Diversifying the fisheries and aquaculture economy in order to attract employment and business creation in the field;
- 8.Modernizing the PES system and strengthening its administrative capacity to deliver active/personalized employment services (such as career path, counselling, mentoring, training, job search, job matching etc.) and preventive employment measures, including through a partnership approach.

***Proposed Priorities for Funding:***

- 1.Actions to boost the participation of young NEETs at economic activity through a multi-dimensional approach (counselling, personalized services, vocational training, financial support for business start-up, validation of competencies obtained in formal and non-formal context, financial incentives for employers to create new employment opportunities and to organize apprenticeship and traineeship schemes actions to enhance the internal/ national mobility of labour etc);
- 2.A combination of targeted and mainstreaming actions aiming to improve access to the labour market of job-seekers and inactive persons, with a particular focus on long term unemployed, low skilled, older workers, Roma people, people with disabilities and those from rural areas through a multi-dimensional approach (*Note: under the TO no. 8 are to be financed measures for workforce development targeted to unemployed and inactive people, while under TO no. 10 (LLL) are to be financed measures for those employed*);

3.Support updating the skills of unemployed jobseekers and of the workforce affected by industrial restructuring and, in particular, those from agricultural and fishing communities affected by the reduction in employment that is likely to accompany increased competitiveness;

4.Supporting actions aiming to reinforce job creation, support recruitment efforts of enterprises, particularly SMEs, increase the enterprise adaptability to changes by promoting innovative forms of work organization, coaching for companies management, outplacement and exchanges good practices for employees of the companies within the same sector, long-term strategic planning in companies to anticipate change, mechanisms for forward-looking planning of employment and skills and act on emerging skill needs;

5.Supporting self-employment actions, entrepreneurship and business creation, including through financial instruments;

6.Supporting of new food processing units in order to stimulate job creation;

7.Creation of new small enterprises through business start-up aid for non-agricultural micro and small enterprises and development of non-agricultural activities in rural areas;

8.Diversification of fisheries and aquaculture sector by creation of new jobs and enterprises, as well as the promotion of local development and new sources of income in fisheries areas;

9.Strengthening the capacity of PES to provide individual counselling, guidance, career management systems, placement and recruitment services, skills based matching services to employers, training and retraining and activation programmes and reinforce its activities in rural areas and disadvantaged communities, and also in performing labour market analysis and forecasting, in developing partnerships with other stakeholders (private providers, educational authorities, employers, social partners and NGOs etc) in order to anticipate the LM needs and ensure a better skill matching, ensure better activation outcomes and more outreach to employers, in developing an integrated database for NEETs, designing, adapting and improving work procedures, including piloting some of them and staff training.

### ***Synergies with other TOs:***

The proposed priorities for funding under this TO will be synchronized primarily with the interventions for social inclusion and education under **TO 9 and 10**, together contributing to developing an inclusive human resource, with high level of qualification and competences, adapted to the labour market needs.

In the same time, this objective needs to be synchronized also with the **TO 1 and 3**, in order to address the sectors identified with growth potential.

Not least, very important for the successful of the proposed priorities is the complementarity with the **TO 2**, in order to benefit for the results of the e-government interventions under **TO 2**.

EAFRD through rural development priority 6 will contribute to this TO.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ESF:** *Increased labour market participation for NEETs, job seekers (unemployed persons both receiving and not receiving unemployment benefits) and inactive people; Increased job opportunities through supporting entrepreneurship in poor areas; Increased capacity of enterprises to formulate and implement human resources policies in order to adapt to labour market changes in priority sectors; Increased capacity of PES for labour market analysis and forecasting, for better skills matching with labour market demands and for delivering personalized services and active and preventive labour market measures..*

**EAFRD:** *Increased employment opportunities outside agriculture in rural areas; Increased share of secondary and tertiary sectors in the economy of rural areas.*

**EMFF:** *Increased employment opportunities; increased diversification of economic activity in fisheries and aquaculture sectors and local development of Romania's fisheries areas.*

The above results will contribute to fulfilment of Romania's 2020 target of 70% of the 20-64 year-olds to be employed.

**Thematic objective no. 9 - Promoting social inclusion, combating poverty and any discrimination**

Interventions from ESI Funds will contribute towards the achievement of the goal assumed by Romania through the NRP which refers **to the reduction of the number of people at risk of poverty or exclusion by 580,000 people by 2020 compared to 2008.**

***Development needs:***

- 1.Reducing the incidence of poverty and social exclusion experienced by the identified vulnerable groups through integrated measures (education, employment, housing, social and health care and actions to combat discrimination);
- 2.Promoting social economy and providing support to social economy structures with the final aim to support social and labour market integration of vulnerable groups;
- 3.Improving the basic infrastructure and access to services in order to promote economic development and reduce poverty in rural settlements and in deprived urban areas, including fisheries areas;
- 4.Developing qualitative and accessible social assistance system including the development of alternative types of services in order to facilitate the transition from residential centres to community – based services;

5.Improving access to and quality of community-oriented health services - community nursing, primary care and ambulatory care and optimize integration of social and health services to target vulnerable;

6.Improving capacity to effectively address gaps in maternal and child health through better territorial access to skilled community nurses/Roma health mediators able to provide community-based services for those at risk, and ensure adequate referral to other health and social services;

7.Strengthening the capacity to provide equitable access to regionally optimized high level tertiary care, able to improve health outcomes for priority relevant pathologies that disproportionately affect the poor and account for the majority of adult morbidity and mortality gaps (e.g. cancer, cardiovascular diseases, diabetes, mental illness, rare diseases, tuberculosis);

8.Improving the system efficiency through the use of information and communication technology (ICT) instruments in the framework of e-inclusion, e-health, e-social assistance;

9.Reforming the HRM professionals in social protection and health care.

***Proposed Priorities for Funding:***

1.Integrated actions to address the needs of vulnerable persons, groups and communities by improving educational participation, integration in the labour market, access to housing, social, health care and cultural services, and actions to combat discrimination;

2.Exploit innovative potential of social economy models (including sheltered employment for vulnerable persons) to address societal challenges and/ or to support labour market integration and social inclusion of vulnerable groups and their transition to the business models, the development of local services where market models fail to deliver, thereby creating employment and social inclusion;

3.Develop an equitable, sustainable, affordable and high quality social assistance system, benefits and social services (e.g.: protected homes, family-type homes, domiciliary care, day-care centres, integrated social and health community services, respite centres etc.) which will support the transition from classic/ large scale residential centres to community – based service delivered by public and private social services providers, including prevention of institutionalisation and targeted support for community based infrastructure;

4.Strengthen the capacity of public and private service providers to deliver quality community-based care services for children, persons with disabilities, people with mental problems and elderly (especially in lagging areas);

5.Enhance public awareness on health and social issues, including discrimination promoting social responsibility and developing a pro-active, volunteer oriented and participative culture within the general public;

6. Investments in essential health infrastructure in selected priority locations: regional emergency hospitals, county emergency hospitals, ambulatory centres and community centres/socio-medical centres;

7. Enhance access to quality health care and treatments for vulnerable and underserved by: focus on primary health care strengthening (community nursing/Roma health mediation and family doctors), integration of medical and social services at community level, access to quality services in ambulatory settings and emergency care;

8. Improve the maternal and child care in communities/counties/regions with higher level of infant mortality, including by enhancing the community nursing/Roma health mediation and improving access to higher level of care;

9. Provide disease prevention/early detection/screening programmes at community level pertaining to relevant health priorities defined in the National Health Strategy (e.g.: cancer, cardiovascular diseases, diabetes, mental illness, rare diseases, tuberculosis and other preventable communicable diseases);

10. Enhance knowledge and skills of social assistance and health professionals (e.g. social workers and family doctors and nurses, staff working in specialized ambulatory services/ outpatient settings, emergency care services, emergency hospitals clinical guidelines and protocols etc. as well as the staff managing the patient register, electronic insurance card, ICT, telemedicine etc) as a prerequisite to increase the quality of services;

11. Support for physical, economic and social regeneration of deprived communities in urban areas, including in the framework of Community-led Local Development, including support for sport infrastructure/multifunctional cultural centres in view of specific social inclusion objectives and for social economy;

12. Foster local development in rural areas through investments in all types of small-scale infrastructure, including (e.g. local roads, water supply and sewerage infrastructure – complementary with Large Infrastructure OP), and in setting up/improving local basic services for the rural population (e.g. social and educational infrastructure including those in the agricultural field and investments associated with the cultural heritage preservation). The small scale infrastructure related to roads will be targeted on improving connectivity and/or economic development challenges in order to reduce the rural poverty;

13. Promote local development and improved governance in rural areas through LEADER community-led local development strategies (through LAG, FLAG).

***Synergies with other TOs:***

The proposed priorities under this TO will be synchronized with the measures addressing research, entrepreneurship and business models under **TO 1 and 3**, focusing on sectors with growth potential (where is the case), the measures for employment and education, under **TO 8 and 10** and interventions such as strengthening the capacity of local administration under **TO 11** and e-government financed under **TO 2**.

The investments in health infrastructure (refurbishment/rehabilitation) will be correlated with the measures foreseen under **TO 4** aiming to improve energy efficiency and costs reduction.

Investments in small-scale infrastructure (roads, water supply and sewerage infrastructure) in rural areas, funded from EAFRD, (rural development priority 6 corresponding with **TO 9**) will be strategically consistent with and complement investments in road infrastructure, as defined in the national legislation (under **TO 7**) and water infrastructure funded by CF. The investments in educational infrastructure in rural areas funded from EAFRD (under **TO 9**) will ensure the synergy with ESF and ERDF (under **TO 10**). The ICT intervention of EAFRD under LEADER will complement the support for broadband infrastructure financed by ERDF under **TO 2**.

EAFRD will finance with priority investments in the communes between 2000-10000 equivalent population (p.e), according to regional master plan for water and water waste established at national level. In this respect, it will be ensured a good management of water.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ESF:** *Reduced poverty risks in marginalised communities through soft investment measures as part of integrated projects, including CLLD; Increased social inclusion for other disadvantaged groups such as persons suffering from addictions, domestic violence, human trafficking and persons deprived of liberty or on probation; Increased access to quality community based services through soft investment measures outside integrated projects; improved capacity of community based services to deliver services at an appropriate standard, through soft investment measures; Increased efficiency and effectiveness of social assistance system; Increased capacity of health system, including for application of prevention measures, through soft investment measures; increased number and capacity of social economy structures.*

**ERDF:** *Reduced number of persons at risk of poverty and social exclusion in urban marginalised communities through hard investment measures; Increased access to quality community based and health services through hard investment measures.*

**EAFRD:** *Reduced poverty risks in rural areas through investment measures in small scale infrastructure related to road, water, sewage, education, health, and cultural patrimony, including by using LEADER approach; Increased access of rural population to basic infrastructure services.*

The above results will contribute to fulfilment of Romania's 2020 target of at least 580,000 fewer people in or at risk of poverty and social exclusion. They will contribute indirectly to fulfilment of Romania's 2020 target of reducing the rates of early school leaving below 11.3% and 70% of the 20-64 year-olds to be employed.

**Thematic objective no. 10 - Investing in education, training and vocational training for skills and lifelong learning**

Interventions from ESI Funds under this TO will contribute at enhancing the competences and skills of children, youth and adults in Romania, in order to continuously adapt to the individual interests and potential and to the LM needs. The goals set under this thematic objective aim to prevent and reduce the share of early school leavers down to 11.3%, to increase tertiary education participation, attainment and completion to 26.7%, and, to promote, diversify and increase the participation of adults in LLL up to 10%. These goals were assumed by Romania through the NRP.

***Development needs:***

- 1.Improving the access, participation and good quality of ECEC;
- 2.Strengthening accessibility, quality and learning achievements in compulsory education;
- 3.Increasing the attractiveness of primary and secondary education, including IVET, also by using ICT;
- 4.Improving quality and relevance of VET (both IVET and CVT) and tertiary education to labour market needs;
- 5.Enhancing access to and supporting participation in tertiary education.
- 6.Enhancing accessibility, participation and quality of learning provision for adults;
- 7.Upgrading the employees skills in accordance with emerging skills requirements in priority sectors identified under National Strategy of Competitiveness and National Strategy for Research, Technological Development and Innovation 2014-2020 in order to increase their adaptability and productivity by stimulating their participation to LLL programmes (Note: under the TO no. 8 are to be financed measures for workforce development targeted to job-seekers and inactive people, while under TO no. 10 (LLL) are to be financed measures for those employed);
- 8.Support for building a system for LLL and for institutional development of community centres for LLL;
- 9.Fostering lifelong learning and vocational training (short term/initial training) in the agriculture, and food sector;
- 10.Investment in the education and training infrastructure;
- 11.Reforming the human resources in educational system.

***Proposed Priorities for Funding:***

- 1.Increase participation, affordability and quality of early childhood education and care (0-6 years old), particularly in the age group 0-3 years old, especially for groups at increased risk of ESL, focusing on rural areas and Roma;



- 2.Implementing preventive, intervention and compensation measures to reduce ESL, including individualised support for pupils at risk of ESL focusing on rural areas and Roma; integration of equal opportunities and inclusion measures, incorporating wrap-around support (alternative education pathways, such as “second chance” education and training, including IVET, mentoring, etc.) to ensure its effectiveness;
- 3.Enhancing curricula and better integration of ICTs to make learning attractive in schools and IVET, providing opportunities for young people enrolled in compulsory education to get acquainted with the future jobs;
- 4.Improving competences of teaching staff (ISCED 0 – 8 and ECE) in relation to quality assurance, innovative and personalised teaching methods;
- 5.Development and implementation of a system to monitor and anticipate employer skill needs and monitoring professional insertion of graduates (ISCED 3 –6), including CVT
- 6.Better matching initial and continuing VET with LM needs, ensuring quality and relevance of the training offer, including through work based learning, giving priority to growth competitive sectors and/or the traditional sectors with potential to grow, but also on the regional/ local growth potentials (emphasised under the Regional Development Plans), promoting partnerships among relevant stakeholders for ensuring a better transition from school to work including initiatives for entrepreneurial skills development;
- 7.Improve governance and management of higher education institutions to improve the quality of teaching and research; increasing relevance of higher education programmes for the LM needs and monitoring employability of graduates, strengthening the partnerships between universities, business and research, including initiatives for entrepreneurial skills development;
- 8.Modernising tertiary education through development of post-graduate studies and supporting internationalisation of higher education, including advanced research and mobility;
9. Supporting non-traditional students particularly those from rural areas, Roma and other disadvantaged groups, as well as adults presently aged between 23 and 27 to access, participate and succeed in tertiary education;
- 10.Developing human resources in public and Higher Education-based R&D institutions; supporting higher level skills development in SMEs;
- 11.Stimulating employers to develop skills of their employees in order to increase their productivity and adaptability (through apprenticeship schemes, recognition of the their competences acquired in non-formal and informal contexts, guidance, support and mobility bonuses), in line with the needs of growth potential competitive sectors as well as with those traditional sectors where there is potential to grow, to increase increasing the competitiveness through innovation and market development (emphasised under the Regional Development Plans);

12. Increasing the participation in lifelong learning activities, specifically by expanding the demand for and supply of lifelong learning quality programs (including development/revision of qualifications for priority sectors), by individual support measures (incentives, care services, etc.), especially of people belonging to disadvantaged categories (people with no/low qualification, people from rural area, etc.), as well as increasing the participation in LLL of employees;

13. Setting up a system for LLL and institutional development of community learning centres, in order to provide training and education in basic and transversal competences including digital skills, counselling and validation of prior learning, focusing on low skills and rural areas, including through the validation of non-formal and informal learning, including strengthening the capacity of IVT and CVT providers to deliver VET programs correlated with the LM demands and initiatives for entrepreneurial skills development;

14. Support for information, vocational training (short term/initial training) and skills acquisitions for farmers and for those involved in food sector, inclusive by transfer knowledge about new practices in the agri-food sector;

15. Support for demonstration activities to transfer knowledge about new practices in the agri-food sector;

16. Supporting the educational infrastructure and resources development in ECEC, primary and lower secondary schools, particularly those from disadvantaged areas;

17. Supporting the educational infrastructure and resources development in upper secondary education (technological high schools, IVET infrastructure and LLL opportunities) (*Note: there will be targeted educational institutions for LLL services through community centres for LLL at regional/county level*)

18. Supporting the educational infrastructure and resources development in tertiary education, particularly those which will assure a better linkage with research and/or cooperation with the business sector.

### ***Synergies with other TOs:***

Interventions within Tertiary Education field - the investment priority oriented to improvement of the quality, efficiency and openness of the tertiary education, in order to increase the participation and attainment levels of tertiary education graduates - will be correlated with the interventions aiming at strengthening research, technological development and innovation (**TO 1**);

TO 10 will complement the interventions under **TO 2** regarding the development of ICT products and services, as e-education, and ICT training, and the interventions under **TO 3** in order overcome some of the identified obstacles related to the poor level of the SMEs competitiveness, as the shortage of medium and highly skilled labour force and weak entrepreneurship, in particular in rural areas. The specific input of the TO 10 will be to encourage and increase LLL participation, improving labour force skills and competences.

Convergence with **TO 4, TO 5 and TO 6** will be correlated with the interventions under TO 10, regarding improving the quality, efficiency and openness of the tertiary education and equivalent education; and encouraging and increasing LLL participation, improving labour force skills and competences, and improving the relevance and quality of education and vocational training systems for the LM.

The interventions for the education and training will be closely co-ordinated with the activities under **TO 8** promoting employment and supporting labour mobility, improving the match between skills supply and LM demands by promoting equal access to good quality education for the pupils and students, fostering creativity, problem-solving and entrepreneurial skills in order to ensure the acquisition of the key competencies crucial for their employability.

All interventions under **TO 9** will complement the education and training ones, also for disadvantaged communities and disadvantaged groups of learners (from early education to LLL), and will be closely correlated with the measures promoting other type of social inclusion and combating poverty support, education and training being acknowledged as one of the most powerful tools to escape from the vicious circle of poverty and social exclusion.

The interventions within **TO 11** will contribute to overcome some of the identified obstacles in the managerial and administrative capacity of the MoNE and subordinated structures representatives, targeting in particular the HR with decision authority in education policy making, at central, county and local level.

**EAFRD** through rural development priority 1 will contribute to this TO. NRDP will support framers and food processors to achieve and improve their knowledge based on short terms trainings and on farm demonstration activities. NRDP intervention will be will complemented by ESF intervention in order to complete farmers' knowledge with long term trainings and qualifications. NRDP investments on structural intervention will be complemented by ESF by offering access to rural entrepreneurs to short and long terms term

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased access to qualitative educational facilities in ECEC and primary and secondary education, particularly those from disadvantaged areas; Increased access to qualitative educational facilities of tertiary education, particularly those which will assure a better linkage with research and/ or cooperation with the business sector; Increased access to qualitative educational facilities of upper-secondary education (technological high schools and IVET infrastructure and LLL opportunities), focusing mainly on the growth potential sectors underlined within the national competitiveness strategy.*

**ESF:** *Increased participation in early childhood education and care and preschool education, particularly for roma and rural area, through soft investment measures; Decreased non-enrolment and early leaving rates in compulsory education, particularly*

*for upper-secondary, rural areas, roma and those with special education needs, through soft investment measures; Increased participation in tertiary education, IVET, VET and in adult lifelong learning, through soft investment measures; Reduced risk of digital exclusion, particularly in Romania's less developed regions and rural areas, through soft investment measures; Reduced shortages of skilled researchers; Improved staff retention in the research sector; Increased capacity of education and training institutions and providers in terms of teaching skills, methods and curriculum.*

**EAFRD:** *Increased participation in lifelong learning and vocational training in the agricultural sectors.*

The above results will contribute to fulfilment of Romania's 2020 target of reducing the rates of early school leaving below 11.3% and at least 40% of 30-34-year-olds completing third level education.

## **Thematic objective no. 2 - Enhancing access to, and use and quality of, information and communication technologies**

### ***Development needs:***

- 1.Improving the system efficiency through the use of information and communication technology (ICT) instruments in the framework of e-inclusion, e-health, e-social assistance
- 2.Increasing the attractiveness of primary and secondary education, including IVET, also by using ICT.

### ***Proposed Priorities for Funding:***

Increasing e-inclusion and use of ICT in education and health by:

- 1.Improving education through IT based curricular and extra-curricular activity with the use of open access instruments such as OER and Web 2.0 social instruments
- 2.Ensuring the interoperability of medical information systems and the introduction of accessible telemedicine systems to be used in the patient-doctor relations
- 3.Developing e-social assistance (upgrading of the SAFIR system + upgrading or development of two components (public & restricted) of the register of service providers) ICT contributions (software, hardware) for enhancing data collection, monitoring and evaluation in the field of social assistance.

### ***Synergy with other TOs:***

Priorities for funding under TO 2 will be synchronized with those addressing education and skills relating to the current and future workforce and health under **TO 8, 9 and 10**.

### ***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased use of ICT in education, social assistance and health sectors*

**Thematic objective no. 11 Enhancing institutional capacity of public authorities and stakeholders and efficient public administration**

***Development needs:***

1. Reforming the human resources management in educational and health systems

***Proposed Priorities for Funding:***

1. Building up the administrative capacity of decision-makers working in education sector at both central and local level in relation to quality assurance, monitoring and evaluation systems
2. Building the capacity of decision makers at national and local level in designing and implementing evidence based policies in the view of the progress of the health reform and decentralization process

***Synergy with other TOs:***

Interventions under TO 11 will contribute to the achievement of the identified priorities for funding under this development challenge.

***Expected results:***

Within this thematic objective, the results expected to be achieved through the ESI Funds are as follows:

**ESF:** *Increased capacity in evaluating the impact of the education and health policies*

The above result will indirectly contribute to fulfilment of Romania's 2020 target of:

- Reducing the rates of early school leaving below 11.3%
- At least 40% of 30-34-year-olds completing third level education
- At least 580,000 fewer people in or at risk of poverty and social exclusion.

**Development Challenge 3 “Infrastructure”**

886. In order to tackle this challenge, interventions will be conducted under **TO 2 and 7**.

887. Regarding the ICT infrastructure, interventions from ESI Funds will contribute to achieve the objective assumed by Romanian authorities through the National Digital Agenda for Romania, in line with broadband targets of the Digital Agenda for Europe which will ensure **by 2020, access to speeds of above 30 Mbps for all Europeans, and**

**subscription of internet connection above 100 Mbps for 50% or more of European households.**

888. In the transport sector, intervention from ESI Funds will contribute to promote sustainable, flexible, and safe transport that is an essential premise for economic development of Romania. Improving connections with European networks and with national/regional networks will lead to higher productivity of Romanian industry and services, to jobs creation, to higher economic growth, and better standards of living. Inter-modality and development of urban transport and of integrated urban transport systems will aim to gas emissions reduction and low carbon economy promotion. All these issues have to be based on more efficient spending of financial resources.

**Thematic objective no. 2 Enhancing access to, and use and quality of, information and communication technologies**

***Development needs:***

1. Overcoming market failure in the provision of NGA infrastructure and related services in line with The National Digital Agenda Strategy for Romania and with The National Plan for the Development of Next Generation Networks Infrastructure.

***Proposed Priorities for Funding:***

1. Fast and ultrafast broadband infrastructure;

2. Promoting NGN connections – for ensuring Internet access for high-tech ICT equipment, as well as the use of the most sophisticated online public services, in a uniform manner from a geographic point of view.

***Synergies with other TOs:***

This TO will be in synergy with the proposed priorities under **TO 3** “Enhancing the competitiveness of small and medium sized enterprises, the agricultural sector (for EAFRD) and the fisheries and aquaculture sector (for EMFF)”, aiming at providing adequate infrastructure to support e-services. The ICT intervention of ERDF under **TO2** will complement the efforts provided under LEADER TO 9.

***Expected results:***

Within this thematic objective, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased coverage of NGN, of at least 30 Mbps including in rural areas; Increased level of take-up of NGA broadband services both by business and domestic customers.*

**Thematic objective no. 7 Promoting sustainable transport and removing bottlenecks in key network infrastructures**

### ***Development needs:***

- 1.Improving the accessibility of Romania and its regions and their connectivity with markets thereby significantly reducing the obstacles to their development and diversification in the context of the GTMP; improving governance of the transport sector.
- 2.Improving the sustainability of Romania's transport mix and the attractiveness alternatives to road-based transport

### ***Proposed Priorities for Funding:***

- 1.Development of road infrastructure on core and comprehensive TEN-T network;
- 2.Development of rail infrastructure on core and comprehensive TEN-T network, including ERTMS equipment and rolling stock acquisition, especially through the completion on TEN-T corridors;
- 3.Supporting sustainable transport development through traffic safety and security improvement on TEN-T network, for all transport modes;
- 4.Modernization and development of inter-modal transport, having in view fluidization of freight flows that transit Romania and reducing carbon emissions in urban areas;
- 5.Modernization and development of maritime and waterway infrastructure on the Danube River and navigable canals, having in view the promotion of an environmental friendly transport system and the potential of inland waterway transport as a blue growth sector. Romania will consider measures to strengthen the role of inland water transport within the TEN-T network;
- 6.Development of airports where this is justified, taking into consideration environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact, for improving connectivity and supporting regional mobility;
- 7.Modernization of the customs, where justified, through improvement of customs infrastructure, including equipment and integrated systems for borders securization, in order to remove bottlenecks and to reduce transit waiting time;
- 8.Increasing accessibility of areas located in proximity of TEN-T network, through construction, rehabilitation and modernization of secondary and tertiary connections to the network, including by-passes, having in view bottlenecks removing and traffic fluidization.

### ***Synergies with other TOs:***

This TO will be in synergy with the proposed priorities under **TO 4** “Supporting the shift towards a low-carbon economy in all sectors”, **TO 6** “Protecting the environment and promoting resource efficiency”, **TO 9** “Promoting social inclusion and combating poverty” (concerning small scale infrastructure financed from EAFRD), and the “Connecting Europe Facility”. The “Connecting Europe Facility” is a mechanism that

envisages investments acceleration within trans-European networks, aiming at better accessibility on the EU internal market and economic growth stimulation.

***Expected results:***

Within this thematic objective, the results expected to be achieved through the ESI Funds are as follows:

**CF and ERDF:** *Reduced travel time on TEN-T network; a more sustainable transport mix taking into account rationalised rail network and increased share of freight and passengers being moved by rail and water, increased use of subway transport in Bucuresti-Ilfov Region, improved governance of the transport sector.* **ERDF:** *Increased traffic safety for all transport modes; Reduced travel time due to investments in transport management systems; Reduced stop time in customs; Increased accessibility of Romania's less developed regions.*

The above results will indirectly contribute to fulfilment of Romania's 2020 target of greenhouse gas emissions 20% lower than 1990.

**Development Challenge 4 'Resources'**

**Thematic objective no. 4 - Supporting the shift towards a low-carbon economy in all sectors**

Interventions from ESI Funds will contribute to achieve the objective assumed by Romanian authorities through the National Reform Plan which will ensure **by 2020, the reduction of greenhouse gas emissions by at least +19% compare to 2005 levels, increase the share of renewable energy in final energy consumption to 24%, and achieve a 19% (estimated 10Mtoe) increase in energy efficiency.**

***Development needs:***

- 1.Promoting the production and distribution of energy from RES
- 2.Promoting the use of high-efficiency cogeneration based on useful heat demand on natural gas, biomass or using residual gas from industrial processes
- 3.Improving energy efficiency by developing smart distribution systems
- 4.Assuring the sustainability of municipal district heating systems by reducing heat losses on the network
- 5.Enhancing energy efficiency in the residential and public building stock and the public realm, including in public lighting
- 6.Improving the energy efficiency of transport, including urban transport systems and the fishing vessels and processing units



- 7.Reducing greenhouse gas emissions in urban areas by implementing sustainable urban mobility plans and low-carbon strategies for small cities
- 8.Reducing greenhouse gas emissions in agricultural and forestry sectors
- 9.Enhancing carbon sequestration particularly in agriculture and forestry.

***Proposed Priorities for Funding:***

- 1.Promoting the production and distribution of electricity and thermal energy from renewable energy resources (biomass, biogas, geothermal);
- 2.Improving energy efficiency in enterprises by high efficiency low power cogeneration systems rated less than 8MW;
- 3.Implementation of smart low voltage energy distribution systems;
- 4.Developing electricity and thermal energy monitoring systems in industrial sites, in order to increase energy efficiency;
- 5.Improving energy efficiency of residential stock, and to public buildings (building envelope, heat supply/network, lightning, smart metering etc.) to be prioritised on the basis of systematic appraisal taking into account the cost-efficient reduction of GHG emissions and societal benefits including addressing energy poverty, financed, where appropriate, through financial instruments and/or energy performance contracting;
- 6.Promoting investments for public transportation systems for the main municipalities from Romania within the framework of sustainable urban mobility plans, contributing to air quality and energy efficiency;
- 7.Replacing/improving lighting systems in the public realm, particularly in urban areas financed, where appropriate;
- 8.Reducing greenhouse gas emissions in urban areas by implementing sustainable urban mobility plans (low-carbon strategies in the case of the small cities), promoting investment in non motorized mobility in all cities of Romania (cycling and walking, discouraging personal car use)
- 9.Improve the sustainability of municipal district heating systems where these are demonstrably financially sustainable correlated to the renovation thermal insulation of the corresponding buildings;
- 10.Facilitating the supply and use of renewable sources of energy in the agricultural and forestry sectors (by-products, wastes, residues and other non-food raw material);
- 11.Increasing energy efficiency by reduction the primary energy consumption in agriculture, forestry and food processing;

12.Enhancing carbon sequestration through: afforestation, climate-friendly forestry management, agri-environmental practices;

13.Reducing gas emissions in agriculture through: agri-environmental practices and organic farming (by lower use of nitrogen fertilisers, climate-friendly crop rotation, practices, etc.), improved livestock management and treatment of animal wastes;

14.Promoting investment in climate change mitigation/ improving energy efficiency of the fishing vessels and processing units.

***Synergies with other TOs:***

Then priorities will be synchronized with the financed intervention and with the measures for SME's under **TO 3**, the measures for environment protection under objective 6 and measures for promoting sustainable transport under **TO 7**. Also, this TO will be in synergy with the proposed priorities under "Connecting Europe Facility". The "Connecting Europe Facility" is a mechanism that envisages investments acceleration within trans-European networks, aiming at better accessibility on the EU internal market and economic growth stimulation.

Overall, interventions which contribute to increased energy efficiency will be encouraged through horizontal criteria for assessing ESI Funds.

**EAFRD**, through rural development priority 5, will contribute to this thematic objective.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased use of urban public transport; Reduced GHG emissions; Increased energy efficiency in buildings, public realm, and industry; Increased access to smart grid services; Increased share of energy from renewable sources in total energy consumption, due to investments aiming at increasing installed power in RES producers Increased energy efficiency in the district heating system in selected cities, except Bucharest.*

**CF:** *Increased energy efficiency in the district heating system in Bucharest.*

**EAFRD:** *Increased RES production from biomass and other renewable sources (in the rural areas); increased carbon sequestration & emission reduction in the agricultural & forestry sectors.*

**EMFF:** *Increased energy efficiency and mitigation of climate change in the fisheries/aquaculture sector.*

The above results will contribute to fulfilment of Romania's 2020 targets of greenhouse gas emissions 20% lower than 1990, 24% of energy from renewables and 19% increase in energy efficiency.

## **Thematic objective no. 5 - Promoting climate change adaptation, risk prevention and management**

### ***Development needs:***

- 1.Improving Romania's capacity to anticipate, to prevent and to respond to extreme natural and man-made emergencies.
- 2.Improving Romania's adaptation and resilience to the negative consequences of climate change and, in particular, the increased incidence of extreme heat, drought, coastal erosion and flooding events in the Framework of the National Climate Change Strategy.
- 3.Improving Romania's adaptation and resilience to other natural and man-made risks.
- 4.Adoption of farming practices to improve resilience to climate change.
- 5.Increasing efficiency of water use in agriculture contributing to climate change adaptation.

### ***Proposed Priorities for Funding:***

- 1.Non-structural and structural measures in order to reduce risks and damage based on the risk assessment and in particular from flooding, drought and erosion (including coastal erosion). Measures will be selected based on a risk assessment, while giving priority to non-structural measures (as preferred options, whenever possible);
- 2.Set-up and improve the risk monitoring and prevention systems in relation to identified risks;
- 3.Transnational cooperation in the framework of the Danube macro-regional Strategy and population awareness measures
- 4.Strengthen technical capacity of authorities in order to improve national prevention and response capacity in case of disaster;
- 5.Complete the national system of risk identification and management in the framework of the National Risk Assessment;
- 6.Agricultural practices to combat climate change through on-farm water storage zones, water-efficient cropping patterns and forest protection belts against erosion;
- 7.Promoting efficiency in water use in agriculture through investment in more efficient irrigation systems contributing to climate change adaptation;
- 8.Conservation of soil and its carbon stock through land management practices such as low tillage, winter crops and afforestation;
- 9.Maintaining genetic diversity by supporting local crop varieties and livestock breeds which have potential for adaptation to climate change.

### ***Synergies with other TOs:***

The proposed priorities for funding will be synchronized with the financed intervention and with the measures for ICT services and infrastructure under **TO 2**, with the measures on increasing the administrative capacity under **TO 11** and measures to promote the good environmental practice and green infrastructures and measures for agriculture, forestry and fisheries. Also, the actions under TO 5 will complement the actions under **TO 8** and **TO 10** in order to create green jobs and skills, TO1 in order to develop innovative solutions for integrative deployment of Green Infrastructure and **TO 6** as regards green infrastructure.

**EAFRD** through rural development priority 4 and 5 will contribute to this TO.

Actions under TO 5 related to irrigation systems will be complemented by irrigation projects on farm level under **TO 3**. For a functional irrigation network, which will reach water efficiency in agriculture contributing to climate change adaptation, Romania envisages to support the financing of the irrigation projects as follows:

- primary network from the national budget and/or Private Public Partnership/concession;
- secondary network EARDF/national co-financing;
- tertiary network (at farm level) form EARDF/national co-financing.

Investments in secondary network financed from EAFRD will be concentrated on viable systems (as identified by the national strategy) in order to assure a sustainable primary/secondary/tertiary chain.

Also, it will be assured the synergy with relevant programmes under the European territorial cooperation goal, in particular cross border programmes, to address risks with transnational dimension.

### ***Expected results:***

Within this thematic objective, the results expected to be achieved through the ESI Funds are as follows:

**CF:** *Less economic damages caused by natural risks exacerbated by climate change; improved coordination and speed of response in case of emergencies.*

**EAFRD:** *Increased areas on which agricultural practices for adaptation to climate change are applied and increased share of efficient irrigation systems contributing to sustainable water management in agriculture*

*Increased areas on which agricultural practices for adaptation to climate change are applied and increased areas concerned by investments in irrigation systems.*

**Thematic objective no. 6 - Preserving and protecting the environment and promoting resource efficiency**

### ***Development needs:***

- 1.Extend public access to water and wastewater services, in the context of the Water Framework Directive and its River Basin Management Plans;
- 2.Implement and upgrade infrastructures required to comply with the obligations of the waste Directives and the waste management plans and preventions programmes to be developed;
- 3.Nature protection and conservation including through a coherent and functional Natura 2000 network, support of High Nature Value farming systems and restoration of degraded ecosystems. Sustainable management of Romania' rich natural assets, including landscape, farmland, forests, inland and coastal waters, protected areas, biodiversity;
- 4.Development and improvement of the air quality assessment and monitoring;
- 5.Improving the sustainable urban transport and, consequently, reducing pollution;
- 6.Addressing the legacy of derelict and polluted sites and to manage current sources of pollution;
- 7.Conserving and protecting the cultural heritage
- 8.Decreasing abandonment of agricultural activities;
- 9.Developing coordination mechanism among public institutions in the implementation of IMP.

### ***Proposed Priorities for Funding:***

- 1.The extension and modernization of drinking water networks and waste water sewages and treatment systems, connection of the population to drinking water supply and waste water systems (including in rural areas), monitoring of drinking water quality; modernization of laboratories in order to improving monitoring substances discharged into the waters, in special priority hazardous substances;
- 2.The development of waste infrastructure and services based upon the waste hierarchy; new/upgraded investments to comply with the landfill directive (including treatment) increase the waste recycling ratio as well as promotion of a more efficient use of resources;
- 3.Protection of biodiversity through the development and implementation of management plans -/ conservation measures/ species action plans, development of general conservation measures for all SPAs and SCIs and investment in conservation actions and ecological restoration of degraded ecosystems, including Natura 2000 sites, in order to achieve EU Biodiversity Strategy 2020 and Habitats/Birds Directives targets ;
- 4.Development and improvement of the National Air Quality Assessment in line with the requirements of Directive 2008/50/EC and of INSPIRE Directive;

5. Increasing urban mobility and services for passenger through development of urban transport in Bucuresti-Ilfov Region, with an accent on the subway chain;
6. Rehabilitating of derelict and historically polluted sites;
7. Preserving and enhancing ecosystems dependent on agriculture and forestry through organic farming, environmental and climate actions, on agricultural and forest land including High Nature Value farming;
8. Implementing measures to tackle the causes of abandonment of agricultural activities through payments granted to farmers in areas facing natural or other specific constraints (in order to compensate farmers for additional costs and income foregone related to the constraints for agricultural production in the area concerned), measures that will also contribute to soil preservation, carbon sequestration or other environmental benefits. Nature protection and conservation through a coherent and functional Natura 2000 network;
9. Protection, restoration and conservation of marine and inland water biodiversity within sustainable fishing and aquaculture, promote sustainable fishing activities in marine and inland waters; sustainable activities in aquaculture farms; data collection and inspection and control activities;
10. Conserving, protecting and sustainable valorization of the cultural heritage
11. Protecting and sustainable valorisation of natural sites including measures for urban environment through rehabilitation of unused and/or degraded public spaces and buildings;
12. Developing and implementing of Common Information Sharing Environment - CISE - at Black Sea through EMFF.
13. Support the sustainable exploitation of marine waters and coastal zones by implementing of Marine Strategy Framework, Integrated Coastal Zone Management and Maritime Spatial Planning (MSP) including related capacity-building activities as part of a comprehensive National maritime Strategy.

***Synergies with other TOs:***

Actions under TO 6 will complement measures to promote the good environmental practice in business and green infrastructures under **TO 3**, measures for reduction of the carbon emission under **TO 4**, and broad range of measures for agriculture, forestry and fisheries. Also, the actions under TO 6 will complement the actions under **TO 5** as regards green infrastructure, **TO 8** for improving employment and local development, **TO 10** in order to create green jobs and skills and **TO 1** in order to develop innovative solutions for integrative deployment of Green Infrastructure and eco-innovation in general. At the same time, actions under TO 6 will supplement the actions on increasing the administrative capacity under **TO 11**.

**EAFRD** through rural development priority 4 will contribute to this thematic objective. Concerning water/waste water, EAFRD and CF will intervene in a complementary manner, based on County Master Plans and on a coordination mechanism which will ensure an unified approach, an integrated management and an efficient investment in this sector. EAFRD will focus on agglomerations between 2000 and 10000 p.e. which are not proposed to be financed by CF, but are part of the Master Plans. The coordination mechanism will be assured at the PO level.

***Expected results:***

Within this development challenge, the results expected to be achieved through the ESI Funds are as follows:

**CF:** *Increased share of the population connected to the public drinking water supply and treatment and discharged of organic biodegradable load; Increased coverage of selective collection; Reduction of landfilled biodegradable wastes; closure of non-compliant landfill*

**ERDF:** *Decreased area of derelict and historically polluted sites; Increased protection and restoration of biodiversity; Increased capacity for air quality assessment; Increased protection and restoration of cultural heritage; Increased area of rehabilitated public spaces and buildings of urban environment.*

**EAFRD:** *Increased share of agricultural land managed under environmentally sustainable farming practices to maintain and protect biodiversity (including HNV farmland areas). Increased area on which abandonment of agricultural activities is avoided. Increased support for forest land holders for economical disadvantages faced by conserving biodiversity and protecting soil and water resources on their land.*

**EMFF:** *Increased protection and restoration of marine biodiversity; Reduced negative impacts of fishing upon the marine environment; fishing effort reductions, unwanted catches and discards reductions, CISE.*

**Thematic objective no. 7 Promoting sustainable transport and removing bottlenecks in key network infrastructures**

***Development needs:***

1.Improving energy efficiency and security of supply, including gas interconnections, by developing smart transmission systems

***Proposed Priorities for Funding:***

1.Developing smart electricity transmission systems, in order to take over the RES energy;

2.Developing smart gas transmission systems, including gas interconnection networks in the neighbouring countries;

### ***Synergies with other TOs:***

This TO will be in synergy with the proposed priorities under “*Connecting Europe Facility*”. The “Connecting Europe Facility” is a mechanism that envisages investments acceleration within trans-European networks, aiming at better accessibility on the EU internal market and economic growth stimulation.

### ***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ERDF:** *Increased capacity of electricity networks to take over energy from RES; Increased capacity of gas network to ensure interconnection with networks of other neighbouring countries.*

The above results will contribute to fulfilment of Romania’s 2020 targets of 19% increase in energy efficiency.

### **Development Challenge 5 ‘Administration and Government’**

889. Within this challenge, covered for in **TO 11** and **TO 2**, investments under ESI Funds will be used to achieve optimal institutional environment and provision of quality public services by the administration and the judiciary, in support of the overall efforts to improve the economic growth, competitiveness and quality of life. As key elements, where the ESI Funds will be invested, the following have been outlined: transparency and integrity, efficiency and effectiveness of the administration and the judiciary, and orientation towards the needs of citizens and businesses, including reduction of the administrative burden; e-government and justice, capacity for development, coordination and implementation, monitoring and evaluation of policies at all levels of governance as well as the professionalism and motivation of human resources in the administration and the judicial system (institutional capacity).

890. The investments under ERDF will be used to support the development of the national cadastre and land registration system by broadening the geographical coverage and inclusiveness of property records in rural Romania and by improving the land registration services. Thus, will increase the efficiency and transparency of land transactions, stimulate the land consolidation and better management of agricultural land, encourage the local and regional investments, and allow the efficient use of funds.

### **Thematic objective no. 11 Enhancing institutional capacity of public authorities and stakeholders and efficient public administration**

#### ***Development needs:***

1. Improving decision-making process and the efficiency of public expenditures at all levels



- 2.Reforming the human resources management in public institutions
- 3.Reducing bureaucracy for businesses and citizens
- 4.Opening the administration - enhanced transparency, integrity, accessibility and accountability of government and public services;
- 5.Enhancing capacity at all levels for increasing quality and accessibility of public services throughout the territory of Romania
- 6.Enhancing administrative and financial capacity at national, regional and local level to implement actions in pursuit of Romania's development goals;
- 7.Developing coordination mechanisms among public institutions for better coordination of reform actions both horizontally and vertically, clear definition of public institutions mandates including coordination mechanism for implementing macroeconomic strategies (e.g. EUSR and IMP);
- 8.Strengthening the organisational and administrative capacity of the judicial system (Courts, prosecutor's offices and main central bodies of the judiciary: Ministry of Justice, High Court of Cassation and Justice, Public Ministry, National Anticorruption Directorate and Directorate for Investigating Organized Crime and Terrorism) and developing the human resources;
- 9.Improving access and quality of justice while ensuring transparency and integrity within judiciary (based mainly on the implementation of the National Anti-Corruption Strategy and the complementary measures in this area)
- 10.Improved land registration services - integration of existing data and scaling up systematic registration in rural areas

***Proposed Priorities for Funding:***

- 1.Support the development and implementation of systems and procedures for strategic documents and policy coordination, with a particular focus on strategies and national policies;
- 2.Increase the capacity of local public administration for formulating, supporting and implementing local public policies;
- 3.Support the development for monitoring and evaluation mechanisms for the implemented strategies and policies;
- 4.Develop skills in the areas of strategic planning and budgetary programming, impact assessment and monitoring and evaluation (e.g. Training and methodologies, data-bases for indicators);
- 5.Strengthen participatory dimension, development of consultation and participation mechanisms in decision- making;

6. Develop, introduce and support the use of management, monitoring and evaluation systems and tools for an improved institutional and public services performance and change of organizational culture at all levels;
7. Training programs tailored on public administration priority domains based on training need analysis;
8. Create and implement an integrated strategic framework for human resources management in public sector and raise the professionalism and attractiveness of the public administration;
9. Support for measuring administrative burden, transfer of know-how and best practices;
10. Actions to rationalize, increase the quality of regulations and to reduce the burden of bureaucracy on businesses and citizens;
11. Increase capacity of public administration to introduce performance management, monitoring and evaluation systems and mechanisms for public services delivery including for those sub-contracted;
12. Strengthen the capacity and the mechanisms to manage and deliver efficient public services at all levels, including through participatory mechanisms;
13. Support for enhancing integrity and transparency within public administration through risk based analyses and tailor made preventive programs;
14. Strengthen/develop the capacity of stakeholders (social partners, civil society/ NGOs) in order to enable them to contribute more effectively to the promotion and implementation of reforms in the public administration
15. Ensure a performing strategic management of the judicial system;
16. Further capacity building support to all key justice institutions for a proper implementation of the new Codes and the new legislation, including the European acquis, including probation services and prison administration;
17. Continuous training programmes in order to improve professional and managerial skills of judicial staff;
18. Support innovative measures for further facilitating access to justice and improving the quality of justice, including measuring of public trust (using various tools such as opinion polls and surveys, public campaign of information, but also the publication of judicial decisions and the public access to them);
19. Investments in the physical and IT infrastructure of the justice system in order to comply with the main objectives of the Strategy for the development of the above mentioned needs;

20.Support to improve the capacity of anti-corruption administrative national system and independent monitoring and evaluation mechanisms;

21.Support for enhancing integrity within judiciary through risk based analyses and tailor made preventive programs;

22.Strengthen the overall efficiency of the national system for tracing, managing and recovering assets originating from crime;

23.Develop and use of IT tools and applications to enhance institutional capacity and efficiency at all levels of public administration;

24.Develop a national cadastral system to provide certainty of title, promotion of land reform and effective land consolidation in support of Romania's development goals.

***Synergy with other TOs:***

Actions under this TO will contribute, if relevant, to related interventions identified under **TO 2**, aimed at access to ICT, as well as under **TO 3** on improved land registration services contributes to the efficiency and transparency of real estate market, stimulating land consolidation, supporting investment in entrepreneurship and consequently increasing competitiveness. As a result of private and public properties registering, the predictability of the local budgets revenues will be enhanced in order to support the local needs of the communities.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI Funds are as follows:

**ESF:** *Developed and implemented systems and procedures for coordination and monitoring of public policies and strategies; Developed and implemented mechanisms for consultation and participation in the decision-making process; Developed and implemented modern systems and tools for increasing performance in public institutions; Improved competences of employees within public authorities and institutions; Integrated human resources management system in place; Increased degree of satisfaction for citizens and business regarding the quality of public services; Strengthened organizational and administrative capacity of the judiciary institutions and developed human resources.*

**ERDF:** *Increased coverage and efficiency of the registration system in order to remove current bottlenecks in the implementation of investments and projects*

**Thematic objective no. 2 Enhancing access to, and use and quality of, information and communication technologies**

***Development needs:***

1.Developing, introducing and supporting the use of ICT tools and open data concept

***Proposed Priorities for Funding:***

- 1.Implementation of Open Data at the level of all public institutions in order to improving online collaborative and electronic systems;
- 2.Increasing the use of e-government tools (including training for civil servants).

***Synergy with other TOs:***

Actions under this TO will contribute, if relevant, to related interventions identified under **TO 11**, aimed at improving public administration.

***Expected results:***

Within this TO, the results expected to be achieved through the ESI funds are as follows:

**ERDF:** *Improved efficiency of public administration arising from enhanced use of ICTs and e-government.*

**1.4. The indicative allocation of support by the Union by thematic objective at national level for each of the ESI Funds, as well as the total indicative amount of support envisaged for climate change objectives**

*1.4.1. Table: The indicative allocation of support by the Union by thematic objective at national level for each of the ESI Funds (€) (total Union support, including the performance reserve).*

Thematic objective	ERDF	ESF	CF	EAFRD	EMFF	Total
01. Strengthening research, technological development and innovation	973.404.255,00	0,00	0,00	93.523.400,00	0,00	1.066.927.655,00
02. Enhancing access to, and use and quality of, information and communication technologies	531.914.894,00	0,00	0,00	0,00	0,00	531.914.894,00
03. Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)	744.680.850,00	0,00	0,00	2.287.993.961,00	84.210.685,00	3.116.885.496,00
04. Supporting the shift towards a low-carbon economy in all sectors	3.248.063.830,00	0,00	159.574.468,00	486.179.372,00	3.368.427,00	3.897.186.097,00
05. Promoting climate change adaptation, risk prevention and management	0,00	0,00	478.723.404,00	1.536.222.695,00	0,00	2.014.946.099,00
06. Preserving and protecting the environment and promoting resource efficiency	926.404.255,00	0,00	2.892.443.785,00	1.115.224.800,00	37.052.701,00	4.971.125.541,00
07. Promoting sustainable transport and removing bottlenecks in key network infrastructures	2.728.208.359,00	0,00	3.404.255.320,00	0,00	0,00	6.132.463.679,00
08. Promoting sustainable and quality employment and supporting labour mobility	101.063.830,00	1.563.930.485,00	0,00	529.921.367,00	33.684.278,00	2.228.599.960,00

<b>Thematic objective</b>	<b>ERDF</b>	<b>ESF</b>	<b>CF</b>	<b>EAFRD</b>	<b>EMFF</b>	<b>Total</b>
09. Promoting social inclusion, combating poverty and any discrimination	521.276.596,00	1.133.855.426,00	0,00	1.752.959.222,00	0,00	3.408.091.244,00
10. Investing in education, training and vocational training for skills and lifelong learning	361.702.128,00	1.257.101.071,00	0,00	35.270.500,00	0,00	1.654.073.699,00
11. Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration	265.957.447,00	531.063.830,00	0,00	0,00	0,00	797.021.277,00
Technical assistance	323.404.255,00	288.085.106,00	0,00	178.368.085,00	10.105.280,00	799.962.726,00
<b>Total</b>	<b>10.726.080.699,00</b>	<b>4.774.035.918,00</b>	<b>6.934.996.977,00</b>	<b>8.015.663.402,00</b>	<b>168.421.371,00</b>	<b>30.619.198.367,00</b>

1.4.2. *Table: Information on the Youth Employment Initiative, which is programmed under thematic objective 8 "Promoting sustainable and quality employment and supporting labour mobility"*

YEI specific allocation	105.994.315,00
ESF matching funding	105.994.315,00
<b>Total YEI resources</b>	<b>211.988.630,00</b>
YEI resources for young persons residing outside of the eligible regions (Article 16 ESF regulation)	0,00

1.4.3. *Table: The share of ESF of Structural Funds (ERDF and ESF)*

Share of ESF in the Structural Funds (ESF and ERDF) resources for the operational programmes for the Convergence and Regional competitiveness and employment objectives in the 2007-2013 programming period	29,10%
ESF minimum share in the Member State	30,80%
The share of ESF in the Structural Funds resources in the 2014-2020 programming period	30,80%

1.4.4. *Table: Information on the allocation to technical assistance, by category of region, where appropriate*

Fund	Category of region, where appropriate	Allocation to technical assistance (€)	Share of technical assistance of total allocation (by Fund and by category of region, where appropriate)
ESF	Less developed	279.628.722,80	0,00
ESF	Transition	0,00	0,00
ESF	More developed	8.456.383,20	0,00
ERDF	Less developed	308.659.574,43	0,00
ERDF	Transition	0,00	0,00
ERDF	More developed	14.744.680,57	0,00
CF		0,00	0,00

1.4.5. *Total indicative amount of Union support for climate change objectives (€) (total Union support, including the performance reserve)*

0,00

## SECTION 1B

### **1.5. The application of the horizontal principles referred to in Articles 5, 7 and 8 of the CPR and policy objectives for the implementation of the ESI Funds**

#### *1.5.1. Arrangements for the partnership principle including an indicative list of the partners referred to in Article 5 CPR and a summary of the actions taken to involve them in accordance with Article 5 CPR and of their role in the preparation of the Partnership Agreement and the progress report referred to in Article 52 CPR*

891.The partnership principle represents a key aspect in the programming and management of the ESI Funds for 2014-2020. It is a pre-requisite for developing realistic economic, social and territorial policies, directed towards sustainable, smart and inclusive growth.

892.The importance of partnership comes both from the need to ensure transparency of the programming and implementation process, as well as to provide a sense of 'ownership' at the level of all actors involved. To this aim, Romania encouraged the collaboration of policymakers, experts and partners (the organisational types prescribed by Article 5 of CPR), as well as integrated actions at the relevant sector or territorial level, in order to improve the effectiveness of policy implementation.

893.With regard to the preparation and implementation of PA and programmes, the partners are involved in line with the principles set in European Code of Conduct on partnership in the framework of the ESI Funds.

### **Partnership in the preparation of the programming documents for 2014-2020**

894.The Memorandum approved by the Government on 13 July 2012 established the partnership framework in order to draw-up 2014-2020 programming documents (*Table 18 - Partnership framework diagram for programing in DataFile.docx*). The MEF is responsible for the coordination of consultation process and also ensures the presidency of the Inter-institutional Committee for the PA (CIAP). CIAP's secretariat is provided by the MEF through the Directorate General for Analysis, Programming and Evaluation.

895.CIAP has 64 members, out of which 70% are representatives in decision-making of central and local public institutions and 30% are representatives of economic and social environment, trade unions, academic institutions, nongovernmental organisations and other representatives of the civil society.

896. A number of 12 Consultative Committees (10 sectoral and 2 regional/territorial) have been established under the umbrella of CIAP. The following thematic areas were covered by the Consultative Committees: transport; environment and climate changes; competitiveness and energy efficiency; communications and information technology; education and training; employment and social inclusion; health and social services; tourism, culture and cultural heritage; rural development, agriculture and fisheries; administration and good governance and regional development and territorial cohesion.



897.The membership of these committees follows the same principle as CIAP - 30% representation of partners (Annex II - List of social partners involved in programming process).

898.The activities of Coordination Committees was organised in working groups. For the selection of the social partners involved in the working groups and thematic committees, the line ministries responsible with their coordination, published on their official sites the selection criteria (experience on the field, representativeness in relation to other similar organizations etc.) for the partners that submitted a letter of intension. The selection of partners for CIAP was based on the selected partners for the Consultative Committees and following additional criteria (active involvement in the Consultative Committee's activity, experience from 2007-2013 programming period etc.)

899.The Consultative Committees debate and confirm the documents drafted into several working groups on specific issues and propose the agreed elements to CIAP.

900.Within the framework of the consultative committees sectoral priorities were debated and following the members input, the analysis and recommendations were enhanced. The main recommendations stemming from the consultation process reflected the need for simplified procedures and programmes.

901.The programming documents, including the proposals formulated by each Consultative Committee are discussed within the CIAP, which, finally, validates these. In this way, the partnership aims to provide:

- *the partners' agreement on the defined the main development needs, funding priorities as well as on the output indicators and the implementing arrangements;*
- *complementarity of the interventions financed by different public sources;*
- *participation and responsible involvement of the partners in the planning process and encouragement of their ownership of the interventions prioritised;*
- *transparency of the overall process;*
- *full use of the know-how and specialized expertise of the all actors involved.*

902.In order to ensure a wider consultation framework on the programming documents, under the coordination of MEF, at national and regional level were organized several focus-groups. The meetings were attended especially by the representatives of the civil society, academic and cultural environment, etc.

903.Moreover, MEF organized bilateral meetings with all entities that were interested in programming stages, such as: National Chamber of Commerce of Romania, American Chamber of Commerce in Romania, UNICEF, Hopes and Homes for Children (HHC), Institute for Public Policy (IPP), World Wide Fund for Nature (WWF), NGOs working in the field of inclusion, and social protection of Roma and NGOs activating in the field of environment protection.

904.The various versions of the documents under debate were published on the webpage of the Ministry of European Funds ([www.fonduri-ue.ro](http://www.fonduri-ue.ro)) and a unique contact address was provided ([secretariat.ciap@fonduri-ue.ro](mailto:secretariat.ciap@fonduri-ue.ro)). Following the public consultation on the

programming documents (in various stages of development), all interested parties submitted comments to the CIAP secretariat through the unique contact address. All these comments and other observations, proposals were registered and after an internal analyse, were integrated in the revised version of PA. Most comments were on *People and society*, *Resources* and *Administration and government* challenges (see: *Annex regarding the Summary partnership consultation\_Annex Ro\_PA*).

## **Partnership in implementation**

905. In order to ensure the relevance of actions supported and the effective delivery of ESI Funds, the partnership framework will operate beyond the programming phase, and will be extended to the management, implementation, monitoring and control. Institutional coordination for 2014-2020 involves three levels (see chap. 2.1) in which economic and social partners will represent 40%, the remaining 60% being represented by the central and local public authorities. Partners' selection will be made in a transparent way, including their experience of the 2007-2013 programming period and their involvement in 2014-2020 programming process.

906. In accordance with the requirement laid down in article 5 in the CPR, the partners will play an important role in (i) preparation, implementation, monitoring and evaluation of operational programs, including participation in the monitoring committees of the programs), and (ii) preparing the progress reports on the implementation of the PAPA in 2017 and 2019.

907. During the implementation, the partnership principle will continue to be applied when setting up the membership of the PA coordination mechanism, the Steering Committee (SCPA) and Thematic steering sub-committees (see chapter 2.1) ensuring the presence of institutions and organizations prior involved in programming process (members of CIAP and thematic committees). SCPA's secretariat will be also ensured by the MEF.

908. MFE as coordinator of ESI Funds management will ensure that the partnership principle is respected by all authorities involved and at all level of governance.

909. The MAs will engage the partners in monitoring, assessment of performance, evaluation and preparation of the annual implementation reports of the programs under the responsibility of the monitoring committees and, where appropriate, through specific working groups established by the monitoring committees for this purpose.

910. The Monitoring Committees proved poorly effective during the 2007-2013 period, with poor expertise and ownership of the members. Subsequently, the committees failed to be the place for constructive dialogue supporting the decision making process. The uneven composition of the committees overwhelmingly composed of public officials, largely explain such situation.

911. It is therefore envisage to review the composition of the committees, with more balanced participation of external stakeholders, representing, in a tailored manner, the most relevant partners that can affect/ or be affected by the program implementation, including at least regional, local and other public authorities, economic and social

partners, non-governmental organizations, bodies representing environmental partners and socio-economic partners concerned by the programmes.. The representation of the social-economic partners could reach a rate up to 40% of the total members (e.g. Human Capital Operational Programme) by taking into account the structure of the relevant beneficiaries' categories. When selecting the members the MAs will take into account as far as possible the relevant partners that have been involved in the preparation of the programs.

912.The committee members will also be associated permanently by the managing authorities, across the life cycle of the programmes and besides the formal meetings of the committees, on all relevant implementation and management issues.

913.As mentioned in article 5.3 (d) of the CPR, the MAs will consult, where appropriate, the relevant partners in preparation of the calls for proposals, based on procedures set in advance, a particular attention will be given to the possible conflict of interest.

914.Concerning the partner's involvement in the preparation of progress reports in 2017 and 2019, this will be mainly realized through the monitoring committees and the coordination mechanism set at the level of the PA.

915.A major aspect when considering the partnership in different stages of preparation and implementation is the capacity-building of partners.

916.The technical assistance funds will be used to ensure that the partners received the necessary training to participate in preparation, implementation, monitoring and evaluation of the programs. The support will take the form of dedicated workshops, training sessions, preparation and support of networking platforms.

#### *1.5.2. Promotion of equality between men and women, non-discrimination and accessibility*

917.The promotion of equality between men and women, non-discrimination and accessibility are cross-cutting themes that contribute to the achievement of the Europe 2020 Strategy.

918.In view of that, the approach in meeting the required principles during the implementation of ESI funds in Romania is twofold: (i) mainstreaming the horizontal themes across the preparation and implementation of programmes, including in relation to monitoring, reporting and evaluation; (ii) design and implementing targeted actions specifically designed to promote equality between men and women, prevent the discrimination based on racial or ethnic origin, religion or belief, disability, age or sexual orientation by paying particular attention to those facing multiple discrimination.

919.The *mainstreaming* approach involves the translation and systematic integration of horizontal principles in each stage of the operational programmes' life cycle, at all levels of governance, and across all actors involved, as well as their assimilation for all the programmes' objectives and through all the levels up to the individual projects.

920.To achieve this, an important pre-condition is the development of common understanding and recognition as regard the promotion of equality between men and women, non-discrimination and accessibility. In this respect, arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the applicable Union and national law in policy area are carried on as part of the process to fulfil of the general ex-ante conditionalities.

921.The *specific actions* are important in complementing the mainstreaming by directing objectives and resources to address the areas where is experienced the inequality and exclusion.

922.A series of particular issues is considered for a practical integration of horizontal themes related to equality between men and women, non-discrimination and accessibility at different stages of the programme cycle:

923.*Programme planning and implementation:*

1.in all the programmes development will be considered and introduced equality horizontal principles. Particularly, those programmes addressing employment opportunities, education, training, business support, health, social integration will comprise specific actions targeting the equality between men and women, the non-discrimination and accessibility. In this respect, one of the elements that is going to be reviewed by the ex-ante evaluation of the operational programmes is the "the adequacy of planned measures to promote equal opportunities between men and women, to prevent discrimination and to promote sustainable development". As it is carried out in interaction with the establishment of the programme, the ex-evaluation will support the identification of those interventions that are intended to have a contribution to the promotion of equality and non-discrimination;

2.in the preparation of programmes of particular importance will be the active engagement of national bodies responsible for the promotion of equal treatment and organisations representing the interests of equality groups. In this respect, the public consultations will offer to various stakeholders the opportunity to engage in developing the content of the programme;

3.the dissemination of information and publicity will be essential activities to promote the equality principles. The actions to support accessibility for a range of groups include promotion of information on websites, printed materials, and through meetings, national, regional or local organisations and networks, with particular attention to the rural area and marginalised communities. The access to information may prevent the unfair disadvantage or exclusion from benefiting of ESI Funds opportunities;

4.in order to extent the integration of equality principles from the programme to the project level, the MAs will provide guidance on how to take into account the equality principles in designing the project, and on how to set equality objectives and to measure them. In the selection process, a screening stage will be undertaken in order to avoid funding and implementation of any project with adverse or negative consequences for equality between men and women, non-discrimination and accessibility;

5.the selection of projects comprising specific actions, which have as a principal objective the promotion of equality objectives will be based on pre-defined criteria, especially for those funded by ESF;

6.the process of mainstreaming of equality principles will be supported during the programmes' implementation by an Operational Working Group ensuring that the themes are integrated at different stages (see chapter 2.1). The group will act as a forum for exchange of information and best practices in the field.

*924.Monitoring and evaluation of programmes:*

1.the programmes will follow the implementation of actions and will assess the progress over time in relation to the translation of horizontal themes under the general monitoring and evaluation system, developing specific programme indicators for measuring the progress against equality objectives where appropriate. Whenever the nature of the assistance has an impact on the given horizontal themes data on individual participants, including a breakdown by gender, will be collected, recorded and stored in systems for the electronic data exchange (see chapter 4). The information about the participants will be managed in due compliance with the national rules on protection of personal data;

2.the national authorities participating in the Thematic steering sub committees and Monitoring Committees of the operational programmes will oversee the horizontal themes' integration and will monitor their integration during the programme implementation. The arrangements for the setting up of these structures will comprise also involvement of bodies responsible for the promotion of equal treatment (see chapter 2.1);

3.the specific actions undertaken to promote equality principles will be reported in the programme implementation reports according to art. 111 (4)(e);

4.as respect to evaluation, two approaches will be followed: (i) conducting separate evaluations of the equality consideration in all programmes or different priority axis, and (ii) through the integration of the equality dimension in the programme specific evaluations.

5.according to article 96 of CPR all the Operational Programmes, except the Technical Assistance one, will include a description of the specific actions undertaken during the preparation, design and implementation of the programme and in particular in relation to access to funding, taking account the promotion of equality and non-discrimination, in particular the requirements to ensure accessibility for persons with disabilities.

*Accessibility*

925.Romania has adopted a number of legal acts that optimise the accessibility of disadvantaged groups, thus the Law no.448/2006 (republished in 2008) with regard to the protection and promotion of disabled persons has assigned a chapter to the accessibility

of the public environment. Furthermore, by Law 221/2010 Romania ratified the Convention on the Rights of Persons with Disabilities (UN CRPD).

926. In accordance with article 7 of CPR, all products, goods, services and infrastructures that are co-financed by the ESI Funds will be accessible to all citizens, including those with disabilities. In particular, accessibility to the physical environment, transport, information and communication technologies will be promoted in order to achieve inclusion for those disadvantaged groups whose access is limited or problematic (e.g. persons with disabilities, elderly people etc).

927. Hence, the managing authorities will integrate measures and instruments throughout the programme lifecycle in order to identify and remove existing accessibility barriers or prevent new ones. For example, the inclusion of accessibility criteria in the technical specifications of procurement procedures or directing investments towards accessibility in existing buildings for public services, promotion of e-communications. A particular attention will be given to the disadvantaged groups in rural areas.

#### 1.5.3. *Sustainable development*

928. The commitment to preserve and protect the environment from potential harmful effects of interventions and ensure results in net social, environmental and climate benefits will be further emphasised and better integrated over the course of the 2014-2020 programming period through (i) *vertical measures* by setting out investment priorities under TO 4, 5, 6 and 7, and integrating activities dedicated to environmental protection, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience, and risk prevention and management into other thematic objectives and (ii) horizontal measures by application of the principle of sustainable development in accordance with Article 8 of CPR.

929. The mainstreaming of sustainable development into ESI Funds involves that the principle being recognised and taken into consideration in all aspects and phase of the operational programmes lifecycle. In this respect, the process of preparation and implementation of the PA and OPs include:

- the ex-ante evaluation of each programme will assess the adequacy of planned measures to promote sustainable development and avoid or mitigate significant environmental impacts. In particular, the application of the Strategic Environmental Assessment (SEA) Directive for the OPs and, as appropriate, for other planning instruments (e.g. River Basin Management Plans or Energy Plans) will assess their likely environmental effects prior to their approval. In addition, the OPs will aim to encourage investments priorities and interventions in line with the EU legislation and where environmental considerations, including biodiversity, are taken into account.;
- all the ESI Funds, as well as, other Union financing instruments (e.g. Horizon 2020 and LIFE programme) offer substantial funding opportunities to achieve objectives related to biodiversity, ecosystem services and Natura 2000. The design and selection of priorities on biodiversity and Natura 2000 within TO6 will explore linked with other OPs and TOs, especially TO5 on climate change

adaptation but also TO1 and TO3. The operational programmes will take into account biodiversity requirements, including in urban areas, through direct and indirect investments, as well the codes of intervention fields that will allow effective tracking the investments in biodiversity protection; the renewable energy is expected to increase in the energy mix of production and consumption. As some of the presumed infrastructure may pose a risk on water, biodiversity and ecosystem services during the construction and implementation phases, fully respect to EU environmental legislation will be ensured prior to the implementation of relevant projects. Particular attention should be given to the compliance with the environmental acquis (e.g. WFD, HD, etc.) in case of inland water transport developments;

- the MAs will use a series of tools so that to ensure a portfolio of projects in line with sustainability principle. These will be introduced for directing the investments towards the most resources –efficient and sustainable options; avoiding investments that may have a significant negative environment or climate impact, and supporting actions to mitigate any remaining impacts; promote a proactive approach to risk management; increase use of green procurements (in addition to the cases where the legislation imposes, e.g. Government Ordinance 40/2011 Promotion of non-polluting and energy efficient transport vehicles);
- in the selection process, all projects will be assessed from an environmental perspective to determine if the impact of the operation is limited or insignificant. For the operations where the environmental impact is expected to be significant it will be performed the Environmental Impact Assessment (EIA). For the major investment projects a CBA and risk assessment will be performed;
- by applying minimum requirements the project proposals will be expected to address the use of energy and other raw materials more efficiently, and to switch from non-renewable to renewable sources, to implement cost savings recommendations through waste minimisation and water management, notable for support economic and construction operations;
- the MAs will ensure awareness-raising and provide support to beneficiaries to deal with the environmental issues in all phases of their projects. The sustainable development principle will be integrated in the training programmes for the beneficiaries, including in relation to the green procurement.

930. In Romania, the *polluter pays principle* is set out in the Law on environmental protection (Law nr.256/2006 approving the Government Emergency Ordinance no. 195/2005) and Water Act no. 107/1996, as subsequently amended and supplemented, a section of this Act is dedicated to protection of soil and subsoil. The law provides the obligation of landowners and operators to maintain a clean environment and requires payment for any environmental damage through pollution.

931. In the table are presented a series of measures envisaged in application of sustainable development principle. The information not exclusive and according to article 96 of CPR all the Operational Programmes, except the Technical Assistance one will include a description of the specific actions to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations. (See Table 18 - Sustainable development, with reference to article 8 of CPR in DataFile.docx)

#### *1.5.4. Horizontal policy objectives*

932. Further to the application of the horizontal principles referred to in article 7, respectively article 8 of the CPR the following horizontal policy objectives will be considered for the implementation of the ESI funds: (1) addressing demographic change and (2) climate change mitigation and adaptation. The proposed objectives resulted from a series of development needs identified in the PA and are relevant for more operational programmes and ESI funds. Their mainstreaming is largely conditioned by the design and implementation of the operational programmes for the programming period 2014-2020.

933. In this respect the strategy of the operational programmes will set requirements to focus on the integration of these objectives, where relevant. Their effective translation will be ensured by identifying related specific objectives in the OPs and directing the actions under investment priorities towards addressing the particular issues of demographic change and climate change.

934. Furthermore, by introducing the ex ante conditionalities for the Partnership Agreement it will provide the necessary framework at the national level to address the two policy objectives.

935. Following the settings from the programming a series of arrangements in the implementation phase, monitoring and evaluation are required for an adequate mainstreaming of the demographic change and the climate change mitigation and adaptation. Similar with the provisions of the sections 1.5.2 and 1.5.3, specific criteria will be taken into account in assessing the eligibility and selection of individual operations. The national authorities participating in the Thematic steering sub committees and Monitoring Committees of the operational programmes will supervise oversee and will monitor the integration of the two policy objectives during the programme implementation.

936. Alongside with the programmes planning the ex-ante evaluation will be used as an important tool in the mainstreaming of the two policy objectives into the use of the ESI funds.

937. An overview of the horizontal policy objective and the specific arrangements for them are presented below:

#### **Addressing demographic change**

938. The negative demographic developments and their socio-economic impact on the productivity and growth, labour-market, provision of social and health services or urban-rural balance impose the inclusion of demographic change as horizontal policy objective which apply to the implementation of ESI Funds.

939. The various dimensions of the demographic change encompass different policy areas (health, education, employment, transport, urban and rural planning, etc.) and require



interventions adapted to the specific needs of geographic areas or target groups (e.g. the elderly, young people, women, vulnerable groups, etc.).

940.The managing authorities will focus on the internalisation of the demographic issues in all the phases of the programme, including the raising the awareness of demographic change for the regional and local development.

941.This implies that demographic challenges will be considered as driven elements when designing the strategy and setting objectives in the programming phase and when identifying procedures and tools for the implementation phase. Most of the ERDF and ESF proposed priorities for funding in the PA target, directly or indirectly, the meeting the demographic challenges. In this respect, the ERDF measures provide funding for investments in educational and social infrastructure and transport that addresses the living conditions of population, besides reducing the isolation of rural and marginal communities. Investments in ICT as well will enhance accessibility and connectivity of population. EAFRD will contribute to a more balanced structure of the population on rural and urban areas, improving the age structure at farm level by implementing measures that contributes to adaptation to climate change, as promoting extensive agricultural practices, afforestation. As for the ESF measures these will support the adaptability of the workforce, employability and social integration, investment in human capital and lifelong learning. Furthermore, the coordination between funds, including the EAFRD will allow proper consideration of rural areas.

942.The local differences in demographic trends impose place-based interventions. Therefore, Romania considered the application of mechanisms such as CLLD and ITI to facilitate the adoption of an integrated implementation at local level (see chapter 2.7).

943.In order to avoid the fragmentation of measures the synergies between programmes will be ensured through the coordination mechanism of the ESI Funds (see chapter 2.1).

944.In the implementation phase, the demographic criteria will be considered when targeting the investments (e.g. NETTs in regions with a youth unemployment rate above 25%).

945.Specific attention will be given to monitoring arrangements (e.g. identify demographic relevant indicators) and evaluation of the potential and actual effects of the ESI Funds in addressing the demographic changes.

### **Climate change mitigation and adaptation**

946.Climate change mitigation and adaptation is one of the challenges identified various policy areas such as energy, agriculture and forestry or transport.

947.The mainstreaming of climate change mitigation and adaptation will be achieved through the financing of investment priorities under relevant thematic objectives. These include supporting the shift towards the low-carbon economy (TO 4) and promotion of climate change adaptation (TO 5). As well the thematic objective focusing on the environment protection (TO6) and promotion of sustainable transport (TO 7) could also contribute to the climate change mitigation and adaptation.

948. In this respect, the spending of funds under the thematic objectives is foreseen to be realized from the ERDF, CF, EAFRD, and EMFF and to be oriented towards renewable energy generation and energy efficiency, environmental infrastructure, clean transport, risk management, enhancing the competitiveness of small and medium-sized enterprises etc.

949. In the preparation phase the Strategic Environment Evaluation will verify the climate change mitigation and adaptations needs and impacts in order to ensure the climate resilient actions support under the investment priorities. The criteria will be developed with the support of competent authorities in the field and will be considered to the extent possible the reduction of administrative burden.

950. During the programme implementation the assessment of the proposed operations will consider their adequacy in order to prevent the investment with negative climate effects and to promote the contribution to climate change (*see Table 18 - Sustainable development, with reference to article 8 of CPR in DataFile.docx*)

951. The visibility of contributions towards the goal of a spending of at least 20% of the allocation on climate change requires a system of monitoring and reporting of finance to support climate change related actions. Where there is direct spending on climate change adaptation it will be selected indicators to illustrate the adaptation progress. In this respect the common indicators proposed in the Fund specific regulations will be accompanied by programme-specific indicators. With regard to the tracking of climate related expenditure the amount allocated by priority axis will be distributed by categories of interventions, as referred in article 96(2) of CPR.

952. As respect to evaluation, typical types of evaluation will be performed in order to assess the climate mitigation and adaptation mainstreaming and the interventions impact across the OPs and fund.

953. As the operational programmes financed in the period 2014-2020 will take into account the climate change into consideration in direct or indirect way, explicit details of the specific arrangements undertaken during the preparation, design and implementation will be provided in the Ops, except the Technical Assistance one.

**1.6. The list of the programmes under the ERDF, the ESF and the YEI and the Cohesion Fund, except those under the European territorial cooperation goal, and of the programmes of the EAFRD and the EMFF, with the respective indicative allocations by ESI Fund and by year (total Union support, including the performance reserve)**

Programme	ESI Fund (ERDF, ESF, Cohesion Fund, EAFRD EMFF or YEI)	Total	2014	2015	2016	2017	2018	2019	2020
2014RO05M9OP001	YEI	105.994.315,00	59.547.368,00	46.446.947,00	0,00	0,00	0,00	0,00	0,00
2014RO16RFOP001	ERDF	1.329.787.234,00	156.531.627,00	168.171.439,00	171.390.876,00	184.732.937,00	201.788.332,00	210.669.652,00	236.502.371,00
2014RO14MFOP001	EMFF	168.421.371,00	23.085.512,00	23.380.425,00	23.594.150,00	23.976.562,00	24.534.471,00	24.702.232,00	25.148.019,00
2014RO05M9OP001	ESF	4.220.844.429,00	496.843.124,00	518.788.763,00	574.693.403,00	601.562.330,00	645.491.301,00	678.681.279,00	704.784.229,00
2014RO16M1OP001	ERDF	2.483.527.507,00	292.340.452,00	300.926.906,00	324.657.193,00	333.052.534,00	380.352.490,00	420.237.541,00	431.960.391,00
2014RO05SFOP001	ESF	553.191.489,00	55.319.149,00	66.382.979,00	82.978.723,00	82.978.723,00	82.978.723,00	105.106.383,00	77.446.809,00
2014RO06RDNP001	EAFRD	8.015.663.402,00	1.149.848.554,00	1.148.336.385,00	1.146.793.135,00	1.145.218.149,00	1.143.614.381,00	1.141.925.604,00	1.139.927.194,00
2014RO16RFTA001	ERDF	212.765.958,00	21.276.596,00	31.914.894,00	28.914.894,00	31.914.894,00	31.914.894,00	31.914.894,00	34.914.892,00
2014RO16RFOP002	ERDF	6.700.000.000,00	824.202.464,00	890.691.151,00	937.021.277,00	997.021.277,00	997.021.277,00	997.021.277,00	1.057.021.277,00
2014RO16M1OP001	CF	6.934.996.977,00	825.196.830,00	884.842.501,00	949.836.093,00	999.902.570,00	1.046.786.040,00	1.093.828.558,00	1.134.604.385,00
<b>Total</b>		<b>30.725.192.682,00</b>	<b>3.904.191.676,00</b>	<b>4.079.882.390,00</b>	<b>4.239.879.744,00</b>	<b>4.400.359.976,00</b>	<b>4.554.481.909,00</b>	<b>4.704.087.420,00</b>	<b>4.842.309.567,00</b>

**1.7. Request for transfer of Structural Funds' allocations between categories of regions, where applicable**

Category of region	Financial allocation based on Commission decision (...) (€)	Transfer to	Amount transferred (€)	Share of the allocation of the category of region from which funds are transferred (%)	Financial allocation after transfers (€)
Less developed	15.058.845.333,00	More developed	451.765.360,00	3,00%	14.607.079.973,00

**1.8. Transfer from the European Territorial Cooperation goal to the Investment for Growth and Jobs goal, where applicable, by category of region**

Transfer to	Amount transferred (€)
-------------	------------------------

**1.9. Request for a transfer of technical assistance to the European Commission, where applicable**

Fund	Category of region	2014	2015	2016	2017	2018	2019	2020
------	--------------------	------	------	------	------	------	------	------

**1.10. Information on the allocation related to the performance reserve, broken down by ESI Fund and, where appropriate, by category of region, and on the amounts excluded for the purpose of calculating the performance reserve**

Fund	Category of region (1)	Total Union support (€) (2)	Matching ESF support to YEI (€) (3)	CAP transfers (3) (4)	Union support subject to the performance reserve (€) (5)	Performance reserve (6)
ESF	Less developed	4.498.980.632,00	105.994.315,00	0,00	4.392.986.317,00	263.579.179,02
ESF	Transition	0,00	0,00	0,00	0,00	0,00

Fund	Category of region (1)	Total Union support (€) (2)	Matching ESF support to YEI (€) (3)	CAP transfers (3) (4)	Union support subject to the performance reserve (€) (5)	Performance reserve (6)
ESF	More developed	275.055.286,00	0,00	0,00	275.055.286,00	16.503.317,16
<b>Total ESF</b>		4.774.035.918,00	105.994.315,00	0,00	4.668.041.603,00	280.082.496,18
ERDF	Less developed	10.108.099.342,00	0,00	0,00	10.108.099.342,00	606.485.960,52
ERDF	Transition	0,00	0,00	0,00	0,00	0,00
ERDF	More developed	617.981.357,00	0,00	0,00	617.981.357,00	37.078.881,42
<b>Total ERDF</b>		10.726.080.699,00	0,00	0,00	10.726.080.699,00	643.564.841,94
CF		6.934.996.977,00	0,00	0,00	6.934.996.977,00	416.099.818,62
EMFF		168.421.371,00	0,00	0,00	168.421.371,00	10.105.282,26
EAFRD		8.015.663.402,00	0,00	0,00	8.015.663.402,00	480.939.804,12
<b>Total</b>		30.619.198.367,00	105.994.315,00	0,00	30.513.204.052,00	1.830.792.243,12

(1) The special allocation for the northern sparsely populated regions and outermost regions should be reflected under the category of region to which the regions benefitting from the special allocation belong to.

(2) Including the performance reserve, after transfers between categories of regions and goals, where applicable.

(3) In accordance with Article 20 of the CPR. The remaining amounts listed under Article 20 are not included in the partnership agreement either because they are managed directly by the Commission or because they are transferred already at the establishment of the national allocations by the Commission (and hence are not included in these national allocations).

(4) Resources transferred from Pillar 1 of the Common Agricultural Policy to the EAFRD under Articles 7(2) and 14(1) of the Direct Payment Regulation (2013/....) and Transfers to the EAFRD in application of Articles 10b, 136 and Art 136b of Council Regulation (EC) No 73/2009 in respect of calendar years 2013 and 2014 respectively.

(5) Total Union support after transfers less the amounts excluded for the purposes of calculation the performance reserve.

(6) The total amount of the performance reserve allocated by ESI Fund and category of region shall be 6 %.

## **2. ARRANGEMENTS TO ENSURE THE EFFECTIVE IMPLEMENTATION OF ESI FUNDS**

### **2.1. Arrangements, in line with the institutional framework of the Member States, that ensure coordination between the ESI Funds and other Union and national funding instruments and with the EIB**

954. In order to ensure the best use of ESI funds, Romania proposed in the Partnership Agreement a series of interventions designed in a combined manner in order to address the main challenges and development needs identified.

955. The areas where there is a strong focus of interest and the complementary approach of the ESI Funds are related to the competitiveness, employment, education, social inclusion, environment protection, resources efficiency and climate change.

956. The most evident area where the ESI Funds will be put to work together is among the investments made to *enhance competitiveness and innovation*. Measures for business support, RDI investments, and promoting ICT under ERDF are designed in a complementary manner with the actions to support the restructuring and consolidation of agricultural holdings and investments in the fisheries sector under EAFRD, respectively EMFF. In addition, it will be ensured the financing of education and skills through ESF.

957. ESF and YEI investments for *employment and labour mobility* will be complemented by the initiatives funded from ERDF for infrastructure. The EAFRD initiatives related to rural economy diversification will be completed by ESF through investments in human resources. The EMFF initiatives are oriented towards the diversification of aquaculture sector.

958. The interventions under EMFF will be correlated and complemented with the support from ERDF under the Regional Operational Programme, Large Infrastructure OP (biodiversity and risk preventions) and Competitiveness Programme (the field of RDI), and ESF for the interventions supporting the diversification of economic activity in fisheries sectors and within Romania's fisheries areas. By its nature, the future “Black Sea 2014-2020” Joint Operational Programme will provide financial support in the marine and maritime area, therefore there is a high need for cooperation and potential for complementarities with actions financed under EMFF, ERDF and ESF.

959. According with the article 20 in the draft specific EMF Fund, details on the complementarity with the ESI Funds will be included in the Fisheries and Maritime Affairs OP.

960. As the Black Sea basin offers a great potential for funding priorities related to the blue growth, the use of ESI Funds will seek to contribute to the development of sectors that are of relevance in the area, these include among others the maritime transport development, intermodal transport, port facilities, RDI projects, coastal tourism, skills development, environmental protection.

961. The investments in *education, skills and lifelong learning financed* will be formally provided through ESF. These will complement the measures addressing the entrepreneurship, ICT development supported by ERDF and those supporting the

vocational training and skills on the agriculture and forestry sectors from EAFRD. The support for infrastructure investments through ERDF will contribute to the success of ESF implementation.

962. There are close linkages across the programmes as regard the *social inclusion and reduction of poverty* financed through ESF and the development of infrastructure of social service and public health and ICT with the ERDF support, the improvement the quality of life and attractiveness of rural areas by using the EAFRD funds. As well the ESF interventions in the area of social integration of the most deprived persons will be complemented by the non-financial assistance provided through FEAD.

963. Measures for *environment protection, resources efficiency and climate change* will be provided through ERDF and CF, including measures promoting the good environmental practice in business. The EAFRD will complement activities in this area by measures to protect and maintain biodiversity on agricultural and forest land, and by integrating climate change mitigation and adaptation actions to reduce the GHG emissions in agriculture and forestry.

964. The complementarities identified among ESI Funds require an effective coordination during the planning and implementation of the ESI Funds in order to avoid the overlaps between actions.

965. Based on the lessons learned in 2007-2013 and the new challenges raised by the ESI Funds architecture in Romania, a coordination mechanism with structures on three levels (strategic committee, thematic inter-institutional, operational), will be set up in order to ensure the coherence of the interventions, complementarities and synergies in the programming and implementation stages. The coordination mechanism will function in parallel with the institutional framework designed for implementation (see section 2.5), and will bring together experts, operational staff, decision makers from the MAs and IBs, decision makers from other institutions responsible for national policies in Romania and the socio-economic partners.

966. Monitoring Committees will be set up for each of the operational programmes that will ensure the effective management and implementation of the programme in accordance with provisions of article 49 of the CPR. The thematic sub-committees will be responsible for securing the cohesion and synergies between various programmes and funding instruments.

967. **The institutional coordination mechanism, proposed for next programming period, implies a number of levels presented below:**

***1. Level 1 – Management of Partnership Agreement Steering Committee (MPASC)*** will be set up as a committee under the responsibility of Ministry of European Funds.

***Role:*** Strategic coordination of the implementation of the PA/ ESI Programs

***Composition:*** Line ministries responsible with policy areas covered by Partnership Agreement, socio-economic partners

**Meetings:** Twice a year

**Representation:** Policy makers at ministry level

**Secretariat:** Directorate General for Analysis, Programming and Evaluation of the Ministry of European Funds

## **2. Level 2 – Thematic steering sub-committees**

There will be **five thematic sub-committees**, according to the five national funding Challenges, set up under the coordination of the Ministry of European Funds, namely:

- Promoting economic competitiveness and local development
- Improving human capital through higher employment and better social inclusion and education policies
- Developing modern infrastructure for growth and jobs
- Optimising the use and protection of natural resources and assets
- Modernisation and reinforcement of the national administration and of judiciary

### **Role:**

- Identifying developments/changes within various policy areas and their impact on the strategy of the Partnership Agreement and Operational Programmes
- Examination of continuous relevance of the Partnership Agreement
- Overseeing meeting the ex-ante conditionalities
- Ensuring synergy and coherence of ESI funds by examination of (proposed) projects eligibility and selection criteria, examination of calendar for request of proposals and its observance, examination of coherence in time of projects appraisal and contracting, including in the case of cadastre project, examination of financial, output and result indicators - both committed and achieved, identifying the main bottlenecks in implementation, examination of evaluation results and follow-up of recommendations
- Ensuring complementarity and integrated approach among ESI funds and programmes, in particular as regards the ESF interventions for education, social inclusion, health care or housing
- Ensuring coherence with other EU and national instruments

**Composition:** line ministries responsible with policy area, responsible MAs, International Financial Institutions together with representatives of the Ministry of Public Finance, representatives of partners which are members of the Programmes Monitoring Committees according to Art.42 CPR, other socio-economic partners

**Reports to:** Steering Committee for Partnership Agreement

**Meeting:** Twice a year



**Representation:** Decision makers at (general) director level

**Secretariat:** Directorate General for Analysis, Programming and Evaluation of the Ministry of European Funds

### **3. Level 3 – Functional Working Groups**

There will be **four functional working groups** set up under the coordination of the Ministry of European Funds, as follows:

*I. Operational FWGs* spanning the following indicative area of interest

- Simplification: administrative burden, one-stop shop, simplified options and global grants
- Operational procedures, audit, irregularities and frauds
- Electronic systems and data exchange
- Communication
- Public procurement (group for providing technical support to the Inter-ministerial Committee for reforming the public procurement legislative and institutional framework that was set up through Decision of the Prime-minister published in the Official Journal of Romania no. 453/20.06.2014)
- Technical assistance and human resources
- Horizontal principles
- State aid

*II. Performance Assessment FWG* with the coverage suggested below

- Performance framework
- Evaluation
- Reporting
- Statistics and indicators
- Financial Management and Forecasting

*III. Territorial coherence and European territorial cooperation FWG*

- European territorial cooperation
- Implementation of EUSDR objectives

*IV. New approaches FWGs* covering

- Financial instruments
- Urban development
- Integrated territorial investments

- Community local led development

**Role:** Harmonisation of approaches, guidance and capacity building in each identified field, including coordination of networks, correlation of investments taking into consideration different territorial approaches wherever appropriate (e.g. ITI, CLLD, sustainable urban development) in view of prioritising interventions so that investments from different thematic objectives and programmes commonly contribute to the strategic development objectives of the territories concerned.

**Composition:** Experts in MEF and MAs and other experts if the case may be including socio-economic partners

**Reports to:** Thematic steering sub-committees

**Meetings:** Each three months, or whenever necessary

**Representation:** Level of experts

**Secretariat:** Directorate General for Analysis, Programming and Evaluation of the Ministry of European Funds

968. Taking into account the impact of the ex-ante conditionality on public procurement for the use of ESI Funds, as well as the mechanism already in place for designing the National Strategy on Public Procurement, the functional working group on public procurement mentioned at level 3, will be the same with the core group on public procurement agreed with EC services. The core group will meet weekly and will ensure the technical support for the Inter-ministerial Committee for reforming the public procurement system, established by Prime-minister Decision no.218/2014 and coordinated by the Minister of European Funds.

969. The main tasks of the Inter-ministerial Committee mentioned above are:

- Finalizing the national Strategy on Public Procurement on the basis of the technical input provided by the core group together with EC services;
- Monitoring the implementation of the action plan for fulfilling the ex-ante conditionality on public procurement;
- Preparing, based on the technical input of the core group, the transposition of the new directives on public procurement.

970. The 2007-2013 operational programmes implementation has revealed difficulties of the beneficiaries in understanding what opportunities are available to fund their investment projects, when they could access funding. The beneficiaries of EU funds also found difficult to access easily the information relevant to their interests, to deal with different procedures on different grant schemes, the administrative burden.

971. The access to consistent information and the effective support to beneficiaries will continue to be provided through the national network of the Structural Instruments Information Centre (41 county centres and Bucharest), managed by MEF.

972.For the use of resources in the best interest of Romania, the complementarity requires that ESI Funds will not be used solitary, but with regard to other national or European instruments. This means to correlate funds from different sources for actions that are carried out in a related or consecutive manner, with the final purpose to avoid the double financing or adoption of investment schemes that are contradictory to ESI Funds objectives.

973.The investments from ESI Funds and other national or European instruments can directly support the achievement of objectives established in areas such as environment, climate action, education and employment. The risks with transnational dimension (e.g. flooding, pollution) identified by the partner countries as being a common threat that can be jointly addressed in the framework of ETC programmes – in particular cross-border programmes, shall be taken into consideration for financing by the joint programming committees, taking also into account the budget limitations of these programmes. Nevertheless, tackling these risks should follow basin approach envisaged by national programmes.

974.Complementarities will be ensured between ESI Funds and *HORIZON 2020 programme*, the EU Framework Programme for Research and Innovation. The demarcation line is set by the design of the instruments as mainly consists of: the non-territorial approach and transnational approach of Horizon 2020 against the place based interventions of ESI Funds; focus on individual R&I projects against the focus on R&I capacities and systems for ESI Funds; competitive calls addressed to international groupings in the case of Horizon 2020 and policy prioritisation to individual firms, consortia. Synergies with Horizon 2020 will target especially the actions within „Spreading excellence and widening participation”, the European Innovation Partnerships and the EIT Regional Innovation Scheme. The research, development and innovation actions financed by EAFRD in the framework of EIP will be in synergy with the European Research Policy Horizon 2020 which is becoming more focused on practical issues and will provide financial support for new interactive formats and extra practically, as well as thematic networks and multi-actors projects.

975.Possible complementarities will be created in order to unblock the excellence potential at national level, including *ERA* chairs initiatives, support to actors to participate in Horizon 2020, support to access in international networks, support excellence centres to connect with similar centres in other member states, support cross border networks, institutional development for coordination at national level. The National RDI Strategy 2014-2020 and its action plan take into account the recommendations of the EC communication „A reinforced European Research, A Partnership for Excellence and Growth” (COM(2012)392) through both legislative and financial interventions. One of the funding instruments of the National RDI Strategy is the Priority Axis 1 for RDI from OP Competitiveness 2014-2020. Structural funds for the Priority Axis 1 will finance pan-European infrastructures built in Romania: the second phase of ELI-NP and the Danubius Centre which is proposed for the ESFRI Roadmap. In the same time, structural funds from this Priority Axis will finance specific actions to facilitate knowledge access both through the knowledge transfer partnership between academic and business environment and through the electronic access to scientific publications. Other recommendations of the EC communication are at the principle level as the equality of chances or open competitions, based on transparency and excellence.

Prioriy Axis 1 for RDI is comited to these principles as it was also the case during 2007-2013.

976.*Connecting Europe Facility* offers a good opportunity to enhance complementarities in three areas of digital infrastructure, energy and transport infrastructure. In the transport sector, CEF shall support projects of common interest for removing bottlenecks, enhancing rail interoperability, improving cross-border sections links, ensuring sustainable and efficient transport systems, enabling all transport modes to have low carbon emissions, supporting the integration and interconnection of transport modes. The main demarcation between CEF and ESI Funds is given by the fact that the CEF concept, the investments will concentrate on cross-border infrastructure project ensuring connectivity with other states.

977.Complementarities of the Connecting Europe Facility with the structural funds for **ICT** in Romania will be considered especially for NGN/NGA investment. Thus, the NGN/NGA targets assumed in the Digital Agenda Strategy for Romania will be funded both through COP and through CEF.Concerning **road transport**, the modernization of international links will be done at motorway/express road standards or will just focus on the rehabilitation of the existing national roads (according to the results of the GTMP). For the railway transport, the modernization of the international links will have the aim to achieve an interoperable railway infrastructure. Regarding the **energy sector**, through ESI Funds will be ensured the resources for the transmission systems, in complementarity with the Connecting Europe Facility.

978.The interventions funded from ESI Funds addressing to SMEs have a high potential to create synergies and complementarities with *COSME* the Competitiveness of Enterprises and Small and Medium Enterprises Programme. It provides funding to improve access to finance, improve access to market, and improve the framework conditions for competitiveness and sustainability of the enterprises and promoting entrepreneurship and entrepreneurial culture.

979.Special attention will be given to coherence with *ERASMUS* programme which has a number of areas of intervention, where overlapping should be avoided, and complementarities could be sought: employment, research and innovation, industry and enterprise.

980.Romania is the beneficiary of the *Fund for European Aid to the Most Deprived* and together with ESF is promoting social cohesion, is enhancing social inclusion and is contributing to eradicating poverty in Romania. The total resources of the Fund are 443 million euro. In Romania the Fund is operated on an Operational Programme of type I and will support the distribution of food and basic material assistance, namely school bags and equipment, to encourage the attendance to school at all ages. The target group is represented by the most deprived persons (individuals, families, households or groups) whose need for assistance has been established by criteria set by the Romanian competent authorities. The Programme will be managed by the same management authority as the Human Capital Operational Programme. The Programme is developed by Ministry of European Funds together with the Ministry of Labour, Family, Social Protection and Elderly, Ministry of Agriculture and Rural Development and social partners.

981. *The LIFE programme 2014-2020* is divided in two sub-programmes (i) the “Environment” that covers three priority areas: environment and resource efficiency; nature and biodiversity; and environmental governance and information and (ii) the “Climate Action” that covers climate change mitigation; climate change adaptation; and climate governance and information.

982. The funding under LIFE programme will be available for pilot, demonstration, best practice, technical assistance and capacity building projects. A new type of projects – integrated projects – will be introduced to implement on a large territorial scale, in particular, regional, multi-regional, national or trans-national scale, environmental or climate plans or strategies required by specific Union or environmental or climate legislation in the areas of nature, water, waste, air and climate change mitigation and adaptation. The complementarities between LIFE programme and other operational programme is ensured through projects with a national or trans-national dimension, respectively with new types of interventions, as pilot projects.

983. The availability of ESI Funds for actions complementary to projects under the LIFE programme 2014-2020 is ensured, in particular for integrated projects implementing EU plans or strategies in the areas Nature (Prioritised Actions Plans), Water (River Basin Management Plans), AIR (air Quality Plans) and Waste (Waste Management Plans) or Climate Change (e.g. infrastructure, training measures), particularly if it leads to future mainstreaming of environment. The operational programmes will detail the possible synergies envisaged with the LIFE programme. According to Annex I of the CPR, the funding of activities through the ESI Funds that complement integrated projects under LIFE will be promoted. The Ministry of Environment and Climate Change will continue to act as a contact point for LIFE programme in Romania.

984. With regard to EAFRD coordination with European Agriculture Guarantee Fund, Romanian authorities will activate the transfer between the two pillars of the CAP (from Pillar I to Pillar II). The synergies between pillar I and pillar II are ensured by demarking the viticulture national programme and the apiculture national programme.

985. Unlike the support granted by EAFRD, CAP Pillar I helps increase farmers’ incomes through direct payments and specific market measures. A decision regarding a transfer between Pillar I and Pillar II of CAP is taken at national level and it will be notified to COM in due time, in accordance with the deadline set in the EU legislation.

986. The National Support Programme (supporting the wine-growing sector) financed from Pillar I will support the restructuring of grape vine (payment per hectare), crop insurance, promotion of wine on third markets, and the use of must.

987. The National Apiculture Programme will finance technical assistance services for bee-keepers and bee-keepers’ groups, prophylactic activities and activities for combating the varroosis, beehive purchasing, transhumance rationalization, assistance measures for laboratories analysing the physical and chemical characteristics of honey, and assistance measures for the repopulation of the Community’s apiculture livestock.

988. These two types of support are complemented by EAFRD through investments in agricultural holdings for construction and modernization of farm buildings, purchase of machinery, investments in selling facilities, and purchase of software.

- 989.The basic payment (SAPS) and the transitory national aids (TNA) will provide direct support to farmers by means of a payment per hectare, subject to respect of cross-compliance.
- 990.EAFRD will support investments in the development of the agricultural and non-agricultural businesses and of rural areas, ensuring at the same time support for practicing a sustainable and environmentally-friendly agriculture.
- 991.The redistributive payment will support the award of an additional payment per hectare for agricultural holdings between 5 and 30 hectares. EAFRD will supplement the support for farm restructuring by granting a flat-rate payment (based on a business plan) for small farms as are defined in NRDP.
- 992.The “greening” payment will provide an additional support per hectare provided that the CAP “greening” criteria are met. The agri-environment payment (EAFRD) supports farmers which voluntarily commit to meeting additional conditions (exceeding the basic requirements) of environmental protection.
- 993.The payment for young farmers will provide an additional payment per hectare for farmers under 40 years of age, for a 5 year period and for a maximum area of 60 hectares. The measure for young farmers (EAFRD), will support the setting up for the first time of young farmers as managers of an agricultural holding based on an investment plan.
- 994.Regarding the Black Sea region, Romania will continue to promote the development and political and economic reform through the Black Sea Synergy. In coherence with the Black Sea perspectives, the *Danube Strategy* through all its priority areas will facilitate the innovation and competitiveness, as well as to develop the knowledge society through research, to invest in people and skills, and to manage the environmental risks, and transport. In order to make the best use of ESIF and ensure sustainability for the coming years, the Union Strategy for the Danube Region will be systematically integrated in the operational programmes. Geographically, the Strategy covers entirely the country and its implementation will encompass the whole territory of Romania.
- 995.Recognising the need to alignment of the priorities on national, trans-national and macro-region levels and in order to secure an integrated approach to territorial development, the arrangements for coordination presented in PA foresees that the Managing Authorises responsible for the ETC programmes will be involved in the discussion covering the five development challenges of the PA by taking part in the correspondent Thematic steering sub-committees, assuring the complementarity and synergies between ETC OPs and the other programmes funded through ESI Funds.
- 996.Additional measures aiming better coordination of cooperation programmes with mainstream programmes are taken into consideration by the cooperation programmes.
- 997.In the planning phase, apart from the involvement of ETC programmes in drafting the PA, these measures included:

- participation of relevant MAs/actors and institutions in the joint working groups for programming the cooperation programmes;
- due consideration of relevant national and EU strategies;
- meetings with other relevant MAs.

998. For the implementation period, the following measures aiming coordination between ETC and other programmes are taken into account:

- participation of relevant MAs in the Monitoring and Steering Committees of cooperation programmes;
- technical meetings on how the electronic systems can be used in this regard;
- encouraging project beneficiaries to contribute to EUSDR and other relevant strategies;
- replication for ETC of the results of the pilot project on coordination started by the Ministry of European Funds.

999. In terms of connectivity of the cross-border areas, a sustainable improvement of transport will be achieved through integration of county/district transport systems into the cross-border system. Deficiencies of the cross-border transportation system hinder the economic and labour market integration. Re-connecting the region, as a cross-border integrated area, will represent a real incentive to local socio-economic development.

1000. Generally, travel times across the borders are long, limiting cross-border mobility. The access to TEN-T networks from many peripheral locations within borders' neighbourhood is complicated and time-consuming and, also, the connections among big cities are poor.

1001. A significant source of funding in Romania is the 2009-2014 grant scheme EEA and Norway grants. The grants are available in four large areas of intervention: (i) research and green industry innovation, (ii) promoting gender equality, work life balance, children and young people at risk, social inclusion, public health initiatives, (iii) biodiversity and ecosystems, reducing pollution, energy efficiency, renewable energy, adapting to climate change, (iv) strengthening the development of the civil society enhanced contribution to social justice, combating cross border organised crime, etc. The programme is in implementation and the managing authority located in the MEF, which will facilitate cooperation with relevant MAs and policy makers for coherence of interventions.

1002. At the present stage of programming, the most important links are shown in Table 1. Similarly to previous programming period, during 2014-2020, EIB financing instruments will be necessary.

1003. The implementation of the operational programmes in 2007-2013 experienced situations when in parallel with the EU funded schemes the Romanian Government run similar grant schemes with more favourable or less demanding procedures competing in an counterproductive way, e.g. Environment Fund Administration which managed schemes for water infrastructure, renewable energy investments, SMEs grant schemes

and entrepreneurship grant schemes managed by the SMEs Agency (at present being a directorate in the Ministry of Economy). To avoid such situation and remediate the consequences, Romania will align the conditions of the concerned national funding schemes with those ruling access to ESI Funds, in terms of policy conditions (regionalisation framework in water and waste sector), the quality of the technical and economic evaluation of projects and the financing rates. In environment sector, this alignment can be achieved by mainstreaming the national support in the programmes, through lower co-financing rates depending on the beneficiary's financial capacity.

1004. The PA Steering Committee created for the strategic coordination of the ESI Funds 2014-2020 will have a key role in ensuring the coherence with other Union policies' instruments and in the same time with the Romanian national investments programmes. *(See Table 20 - Correlation table in DataFile.docx)*



## 2.2. The information required for ex-ante verification of compliance with the rules on additionality

At national level for Member States in which less developed regions cover at least 65% of the total population

Expenditure of the general government as a share of GDP	2014	2015	2016	2017	2018	2019	2020
P51	4,80	4,60	5,10	5,60	5,60	5,70	5,80

At regional level for Member States in which less developed regions cover more than 15% and less than 65% of the total population

Expenditure of the General Government as a share of GDP	2014	2015	2016	2017	2018	2019	2020
P51							

**2.3. A summary of the assessment of the fulfilment of applicable ex-ante conditionalities in accordance with Article 19 and Annex XI at national level and, in the event that the applicable ex-ante conditionalities are not fulfilled, of the actions to be taken, the bodies responsible, and the timetable for implementation of those actions**

(i) Table: A summary of the assessment of the fulfilment of applicable ex-ante conditionalities at national level.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T01.1-Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well performing national or regional R&I systems.	Partially	1. A national or regional smart specialisation strategy is in place that:	No		<p>A smart specialisation strategy make take the form of, or be included in, a national or regional research and innovation strategic policy framework” (Guide to Research and Innovation Strategies for Smart Specialisations, pag.4)</p> <p>The National RDI Strategy 2014-2020 is the national policy framework, including smart specialisation strategic orientations (<a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a>).</p> <p>- 5 December 2013 - the completion of the preliminary version of the National RDI Strategy 2014-2020</p> <p>- December 2013 – February 2014 - public debate (<a href="http://www.research.edu.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.edu.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> )</p> <p>- May-June: Interinstitutional proces for</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					approval by Government Decision (GD) - July 2014 – The endorsement of the GD for adoption of the National RDI Strategy 2014-2020
T01.1-Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well performing national or regional R&I systems.	Partially	2. is based on a SWOT or similar analysis to concentrate resources on a limited set of research and innovation priorities;	Yes	<a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> , <a href="http://www.poscee.edu.ro/uploads/programare-2014-2020/final-report-12-aprilie.pdf">http://www.poscee.edu.ro/uploads/programare-2014-2020/final-report-12-aprilie.pdf</a>	In the Annex 3 of the RDI Strategy there is a description of the methodology used and of the prioritisation/elimination process as well.  The methodology of the entire exercise is built on the RIS3 Guidelines. The Strategy defines a policy mix focusing on a limited number of priorities starting from an analysis of the R&I-based growth potential ( <a href="http://www.poscee.edu.ro/uploads/programare-2014-2020/final-report-12-aprilie.pdf">http://www.poscee.edu.ro/uploads/programare-2014-2020/final-report-12-aprilie.pdf</a> ), taking into account the first results of national and sectorial strategies (e.g. National Strategy for Competitiveness, Health National Strategy), and using modern foresight methods.
T01.1-Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation	Partially	3. outlines measures to stimulate private RTD investment;	Yes	<a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> .	In the chapter 4 of the RDI Strategy there are measures to stimulate private RTD investments:  4.1 "Setting out a stimulative environment for private sector"

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
expenditure, which complies with the features of well performing national or regional R&I systems.					and 4.2 “Support to the process of smart specialisation” Some of measures will be implemented by: - RDI component of the OP Competitiveness - Regional OP - Human Resources OP - RDI National Plan III.  The specified measures are based on identified needs of enterprises. To support RDI activity are proposed fiscal measures and financial instruments (seed capital, venture capital and growth, microcredits a.s.o.)
T01.1-Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well performing national or regional R&I systems.	Partially	4. contains a monitoring mechanism.	Yes	<a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a>	The RDI Strategy contains a mechanism for monitoring and evaluation based on established indicators and targets. Chapter 5 “Targets” presents indicators with their targets and chapter 6 “Governance” presents governance structure of the monitoring mechanism. In the chapter 6 „Governance” there is a description of how the follow-up to the findings of the monitoring will be ensured.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T01.1-Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well performing national or regional R&I systems.	Partially	5. A framework outlining available budgetary resources for research and innovation has been adopted.	Yes	<a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> .	The framework that highlights the multi-annual budgetary resources for research and innovation is an annex of the National RDI Strategy:
T02.1-Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	No	1. A strategic policy framework for digital growth, for instance, within the national or regional smart specialisation strategy is in place that contains:	No		
T02.1-Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	No	2. budgeting and prioritisation of actions through a SWOT or similar analysis consistent with the Scoreboard of the Digital Agenda for Europe;	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T02.1-Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	No	3. an analysis of balancing support for demand and supply of ICT should have been conducted;	No		
T02.1-Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	No	4. indicators to measure progress of interventions in areas such as digital literacy, e-inclusion, e-accessibility, and progress of e-health within the limits of Article 168 TFEU which are aligned, where appropriate, with existing relevant sectoral Union, national or regional strategies;	No		
T02.1-Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	No	5. assessment of needs to reinforce ICT capacity-building.	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
border initiatives.					
T02.2-Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.	No	1. A national or regional NGN Plan is in place that contains:	No		
T02.2-Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.	No	2. a plan of infrastructure investments based on an economic analysis taking account of existing private and public infrastructures and planned investments;	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T02.2-Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.	No	3. sustainable investment models that enhance competition and provide access to open, affordable, quality and future-proof infrastructure and services;	No		
T02.2-Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.	No	4. measures to stimulate private investment.	No		
G1-The existence of administrative capacity for the implementation and application of Union anti-discrimination law and policy in the	No	1. Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for the promotion of equal	No		



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
field of ESI Funds.		treatment of all persons throughout the preparation and implementation of programmes, including the provision of advice on equality in ESI fund related activities.			
G1-The existence of administrative capacity for the implementation and application of Union anti-discrimination law and policy in the field of ESI Funds.	No	2. Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union anti discrimination law and policy.	No		
G2-The existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds.	No	1. Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for gender equality throughout the preparation and implementation of programmes, including the provision of advice on gender equality in ESI Fund-related activities.	No		
G2-The existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds.	No	2. Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union gender equality law and policy as well as on gender mainstreaming.	No		
G3-The existence of administrative capacity for the implementation and application of the United Nations	No	1. Arrangements in accordance with the institutional and legal framework of Member States for the consultation and involvement	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
Convention on the rights of persons with disabilities (UNCRRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.		of bodies in charge of protection of rights of persons with disabilities or representative organisations of persons with disabilities and other relevant stakeholders throughout the preparation and implementation of programmes.			
G3-The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.	No	2. Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of applicable Union and national disability law and policy, including accessibility and the practical application of the UNCRRPD as reflected in Union and national legislation, as appropriate.	No		
G3-The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.	No	3. Arrangements to ensure monitoring of the implementation of Article 9 of the UNCRRPD in relation to the ESI Funds throughout the preparation and the implementation of the programmes.	No		
G4-The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	No	1. Arrangements for the effective application of Union public procurement rules through appropriate mechanisms.	No		EU Directives on public procurement (2004/17, 2004/18, 2009/81/EC 92/13/EEC and 89/665/EEC) have been correctly transposed into the national legislation, Romanian legal framework for public procurement field being entirely harmonized with the specific European

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>acquis communautaire.</p> <p>- GEO no. 34/2006, updated</p> <p>- GD no. 925/2006, updated</p> <p>- tertiary level legislation</p> <p><a href="http://www.anrmap.ro/legislatie/ordonanta-de-urgenta-nr-342006-versiune-vigoare-forme-precedente-si-acte-normative-de-mod">http://www.anrmap.ro/legislatie/ordonanta-de-urgenta-nr-342006-versiune-vigoare-forme-precedente-si-acte-normative-de-mod</a></p> <p><a href="http://www.anrmap.ro/legislatie/hotararea-guvernului-nr-9252006-pentru-aprobarea-normelor-de-aplicare-prevederilor-referi">http://www.anrmap.ro/legislatie/hotararea-guvernului-nr-9252006-pentru-aprobarea-normelor-de-aplicare-prevederilor-referi</a></p> <p>Joint working groups between the main institutions involved in public procurement area have been set up in order to harmonize the interpretation of the public procurement legislation</p> <p>Legal provisions are included for a formalized cooperation between managing authorities and ANRMAP and UCVP in identifying risks of irregularities as regards public procurement rules, as well as preventing them through adequate and agreed instructions and guidance.</p> <p>The above mentioned legal provisions were further detailed for operational purposes in the protocols signed between managing authorities, ANRMAP and UCVP, which were revised under the coordination of the MEF, in order to</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>clearly set out the mechanism of cooperation and feed-back, the timing and extent of verifications carried out by each institution, as well as the procedural deadlines.</p> <p>The mechanism for ex-ante identifying potential conflict of interest situations within public procurement procedures has been agreed with all relevant institutions in the field and committed on a governmental level by a memorandum.</p> <p>The mechanism for ex-ante identifying conflict of interest stands in assigning ANI the necessary competencies in view of verifying conflict of interest for award procedures of public procurement contracts.</p> <p>Managing Authorities are checking ex-post the existence of conflict of interest. This mechanism is in force since 2012.</p> <p>GEO 66/2011, on preventing, finding and sanction irregularities occurred in the implementation of European funds and / or national public funds establishes the corrections that should apply in case of irregularities within public procurement from EU funds</p> <p><a href="http://www.fonduri-ue.ro/res/filepicker_users/cd25a597fd-62/Legislatie/nationala/3_Control_si_recuperare_fonduri/2_OU_nr_66-2011.pdf">http://www.fonduri-ue.ro/res/filepicker_users/cd25a597fd-62/Legislatie/nationala/3_Control_si_recuperare_fonduri/2_OU_nr_66-2011.pdf</a></p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Currently through Government Memorandum no 5/4649/28.07.2011 there were established checklists that ensures identification of horizontal irregularities in public procurement process.</p> <p>The Managing Authorities has dedicated staff in charge with checking of public procurement; this mechanism is in place since 2012</p> <p>ANRM performs ex-ante tender documentation checks, ensuring that it doesn't include restrictive or unlawful qualification criteria or selection / evaluation factors.</p> <p>- GD 525/2007, updated  <a href="http://www.anmap.ro/legislatie/hotararea-guvernului-nr-52530052007-privind-organizarea-si-functiionarea-autoritatii-natio">http://www.anmap.ro/legislatie/hotararea-guvernului-nr-52530052007-privind-organizarea-si-functiionarea-autoritatii-natio</a></p> <p>UCVAP performs checks on public procurement procedures in real time and during the assessment stage it ensures that the principle of equal treatment is observed and the requirements of the tender dossier are respected.</p> <p>- GEO 30/2006, updated  <a href="http://www.mfinante.ro/rof_2009.html?pagina=acasa">http://www.mfinante.ro/rof_2009.html?pagina=acasa</a>  <a href="http://www.anmap.ro/legislatie/oug-nr-302006-privind-functia-de-verificare-">http://www.anmap.ro/legislatie/oug-nr-302006-privind-functia-de-verificare-</a></p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>aspectelor-procedurale-aferente-procesului-de</p> <p>CNSC handles promptly appeals against decisions of the contracting authority.</p> <p>The national legislation contains provisions on solving complaints filed against administrative acts deemed unlawful. Currently, there is an effective system of judicial protection for tenderers by CNSC and the competent courts.</p> <p>- GEO no. 34/2006, updated, cap. IX  <a href="http://www.anrmap.ro/sites/default/files/legislatie/legislatie-2314.pdf">http://www.anrmap.ro/sites/default/files/legislatie/legislatie-2314.pdf</a>  <a href="http://www.cnscc.ro">www.cnscc.ro</a></p>
G4-The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	No	2. Arrangements which ensure transparent contract award procedures.	No		<p>The Romanian public procurement primary legislation (i.e. GEO 34/2006) explicitly provides that the fundamental principles at the base of any awarding of public procurement contracts are: non-discrimination; equal treatment; mutual recognition; transparency; proportionality; efficiency in using public funds; and assuming of responsibility.</p> <p>Moreover, the procedure „the call for tenders” is in accordance with these principles.</p> <p>The ex-ante ANRMAP / UCVP checks provide guidance for contracting</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>authorities.</p> <p>Tertiary normative acts are working tools that help the contracting authority to draft the tender documentation and to evaluate the bids in order to avoid the occurrence of such situations as those identified by the European Commission / Audit Authority.</p> <p>The Public Procurement Electronic System (SEAP) is constantly updated according to legislative changes and is managed by the Ministry for Information Society.</p> <p>It also contains all the calls for tenders with an estimated value lower than the threshold mentioned in the EU Directives.</p> <p>The contracting authorities send notifications in this system concerning the direct purchase with an estimated value higher than 5000 Euro.</p> <p>www.e-licitatie.ro</p>
G4-The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	No	3. Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds.	No		<p>Training sessions have been organized for the staff involved in the application of EU public procurement law at all relevant levels (managing authorities, intermediate bodies, certifying authorities, audit authorities and beneficiaries).</p> <p>The project, Support for the staff involved in the management of structural instruments in order to optimize the public procurement system", ensures the</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>dissemination and exchange of information concerning the public procurement field, cod SMIS 35292.</p> <p>Another objective of this project is to organize joint working groups between ANRMAP, UCVAP, MFE, ACP AA and the Managing Authorities.</p> <p>The ongoing technical assistance project aims at providing training programs in management of structural instruments and public procurement for all the bodies involved in the application of public procurement rules in the field of ESI funds: „Dedicated training session for further strengthening the institutional capacity of the public administration in Romania for the management of the Structural Funds”, cod SMIS 48159.</p> <p>Also, ANRMAP is organizing trainings through a specialized department.</p> <p>SEAP is a common source of information for all staff applying EU public procurement rules.</p>
G4-The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	No	4. Arrangements to ensure administrative capacity for implementation and application of Union public procurement rules.	No		<p>The National Authority for Regulating and Monitoring Public Procurement (ANRMAP) has a fundamental role in designing, promoting and implementing the public procurement policy.</p> <p>The Ministry of European Funds</p>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>elaborated a Guide on the main risks in public procurement field. The guide is based on the European Commission's recommendations following the audit missions. This guide supports the beneficiaries to avoid making mistakes in this area.</p> <p>Currently there is in force standardized documentation for infrastructure projects (environment and transport sector) used by the Contracting Authorities</p> <p><a href="http://www.anmap.ro/documente">http://www.anmap.ro/documente</a></p>
G5-The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds.	Partially	1. Arrangements for the effective application of Union State aid rules.	No		<p>National State aid procedures is established through GEO no 117/2006</p> <p><a href="http://www.ajutordestat.ro/documente/1%20-%20OUG%20117%20din%202006_326en.pdf">http://www.ajutordestat.ro/documente/1%20-%20OUG%20117%20din%202006_326en.pdf</a></p> <p>Having in mind the actual european legislation in the state aid area, this conditionality should be considered to be fulfilled but, because of the new requirements in the de minimis regulation, we consider that this criteria is only partial fulfilled. This regulation imposes that, starting with the 1st of January 2016, the cumulation of the de minimis aid should be done through a data-base. Therefore,</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>the Competition Council has started the necessary procedures in order to implement a new kind of database, where the State aids will be recorded at the moment when they are effectively granted. Such database will allow the Competition Council and all the grantors to verify ex-ante the eligibility of any beneficiary for granting State aids/de minimis aids, including the observance of the cumulation rules or of the "Deggendorf" obligation.</p> <p>The new database will be developed within a project financed from community funds (Operational Programme for Technical Assistance). The new database is projected to be in place at the end of 2015.</p> <p>In present, Romania has a system that makes sure that the cumulation rules and 'Deggendorf' obligation are complied with through a declaratory system by the beneficiary).</p> <p>The Competition Council's experts permanently assist the experts from the granting authorities (including those granting European funds) in elaborating new State aid schemes. Within this process, the State aid experts verify if all the measures include the mandatory</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>provisions in the field (objective, name of the grantor/administrator of the measure, budget, period of validity, the cumulation rules, rules concerning the monitoring of the aids, the observance of the "Deggendorf" obligation and so on). The grantor/administrator of the each scheme has the primary responsibility of monitoring the granted aids and the observance of the "Deggendorf" obligation.</p> <p>According to the state aid regulations (until the end of 2016), the beneficiaries have the obligation to submit, along with the rest of the documentation, declarations on its own responsibility about all the State aid measures received in the last three years (State aid and de minimis aids), irrespective of grantor, objective or origin of the funds (national budget or structural funds). False declarations are punished by the penal law.</p> <p>In order to avoid any misunderstanding, the granting authorities have the obligation to inform all the beneficiaries about the State aid character of the financing, the type and the total amount of aid granted.</p> <p>Based on the beneficiaries' declarations, the grantor/administrator has the obligation to verify the observance of the cumulation rules and of the "Deggendorf" obligation. The grantor/administrator has also the obligation to recover the eventual</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partial <sup>y</sup>	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>aids which exceed the thresholds or are improperly used by the beneficiaries. The control authorities also verify ex-post the support measures granted from structural funds. If they notice any irregularities, they will ask the grantor/administrator to recover any amount of money granted without the observance of the rules.</p> <p>Because the Commission is not requesting data about the individual de minimis schemes, the Competition Council's experts are informed and have the possibility to verify all the de minimis measures.</p> <p>The de minimis measures are presented at the following address:  <a href="http://www.ajutordestat.ro/?pag=166">http://www.ajutordestat.ro/?pag=166</a></p> <p>Supplementary the Competition Council receives each year, reports about the aids granted in Romania. The data are aggregated and included in reports. The monitoring process, at national level, offers to the Competition Council the possibility to verify the observance of the cumulation rules and of the "Deggendorf" obligation. If irregularities are noticed, the Competition Council will ask the grantor/administrator to recover any amount of money granted without the observance of the rules.</p> <p>Because the reports are sent to the</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>European Commission each year, the European institution also has the possibility to verify if the above mentioned rules are respected. More than this, the European Commission has the possibility to ask for supplementary information concerning the significant State aids for monitoring purposes.</p> <p>This procedure offers to the Romanian authorities the possibility to verify ex-post the compliance of the measures and the individual aids with the community rules in the State aid field.</p> <p>The Competition Council has the possibility, according with the GEO no. 117/2006's provisions, to carry on controls to the grantors/beneficiaries if they are concerns regarding the quality of the data received within the monitoring process.</p> <p>As regard the legal framework the Romanian authorities mentioned that:</p> <p>GEO no 117/2006 provides the national procedure on state aid, especially on the role on Competition Council, the ex-ante control of state aid measures, the monitoring rules, the obligations of the grantor on monitoring, recovery state aid</p> <p>Following the modification of the procedural rules on communitarian level and the necessity to have the data base, the Competition Council intends to modify GEO no 117/2006. The modification shall</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>take in consideration the necessity to have a clear and updated system for working with the data-base on state aid and to assure the transparency required by the European Commission in the state aid field.</p> <p>As we mentioned before, the Competition Council will evaluate the potential State aid measures within the Operational Programmes and Guides and will offer specialized consultancy in order to elaborate the State aid/de minimis schemes which will implement these support measures. This procedure assures an ex-ante control of the compliance of the financing granted to beneficiaries with the State aid rules.</p> <p>As we mentioned before, the monitoring process involves the control authorities in the field of structural funds and also the Competition Council which has all the data regarding the State aids granted in Romania. This process assures an ex-post control on the State aids granted at national level.</p>
G5-The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds.	Partially	2. Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds.	Yes	<p>A specialized website concerning the State aid field was developed and continuously updated. The website is available both in Romanian and English.</p> <p>The website can be reached using one of the following addresses:</p>	<p>The Romanian Competition Council, through the ReNAS (Romanian State Aid Network) project, carried on and will carry on in the future, activities with the purpose of preparing the experts in the State aid field from different authorities. Since</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<p> <a href="http://www.renascc.eu">www.renascc.eu</a>  <a href="http://www.ajutordestat.ro">www.ajutordestat.ro</a>  <a href="http://www.stateaid.ro">www.stateaid.ro</a>  <a href="http://www.ajutordestat.eu">www.ajutordestat.eu</a> </p> <p>The State aid experts within the Competition Council can be reached using the contact data posted on the website (phone and fax number, e-mail):  <a href="http://www.renascc.eu/?pag=153&amp;limba=en">http://www.renascc.eu/?pag=153&amp;limba=en</a> </p>	<p>2008, several seminars/training sessions, many inter-ministerial meetings, hundreds of bi-lateral meetings where organized within this programme. Also, the Competition Council is organizing regular meetings for local authorities in order to present the rules on state aid and all the subsequent modification.</p> <p>The training sessions addressed to all grantors, not only to the experts implementing structural funds in Romania.</p> <p>The activities carried on within the ReNAS project had as main purpose to create a “network “of experts in the State aid field which will effectively collaborate in order to assure the appliance of State aid rules in Romania. At this moment, the Competition Council increased the informal collaboration with the granting authorities in order to exchange experience and to ensure consistency on the implementation of the rules from the early stages of a new support measure’s implementation.</p> <p>Additionally, the Competition Council printed and largely distributed 3 volumes of European legislation in the State aid field, 9 guides concerning the effective application of the State aid rules/procedures.</p> <p>The publication are presented at the following address:</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p><a href="http://www.ajutordestat.ro/?pag=164">http://www.ajutordestat.ro/?pag=164</a></p> <p>When all the new legislation on state aid shall be finalized by the European Commission, the Competition Council is considering a republishing of the volumes of the European legislation in the State aid field and some guides on specific types of state aid.</p> <p>Moreover, a specialized website concerning the State aid field was developed and continuously updated. The website is available both in Romanian and English.</p> <p>The website can be reached using one of the following addresses:</p> <p><a href="http://www.renascc.eu">www.renascc.eu</a></p> <p><a href="http://www.ajutordestat.ro">www.ajutordestat.ro</a></p> <p><a href="http://www.stateaid.ro">www.stateaid.ro</a></p> <p><a href="http://www.ajutordestat.eu">www.ajutordestat.eu</a></p> <p>The State aid experts within the Competition Council can be reached using the contact data posted on the website (phone and fax number, e-mail):</p> <p><a href="http://www.renascc.eu/?pag=153&amp;limba=en">http://www.renascc.eu/?pag=153&amp;limba=en</a></p> <p>In parallel, the Competition Council continue to give support to the Public</p>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Servant Agency in order to prepare the State aid training programme for the experts implementing European funds in Romania. A protocol between the Ministry of European Funds, Competition Council and Public Servant Agency was already signed in April 2013. According to this Protocol, the experts involved in structural funds shall be trained on state aid issues until 2020.</p> <p>Romania has already started a training sessions through a project funded from Operational Programme for Technical Assistance 2007-2013. A training session of 3 modules on the basics elements on state aid already took place and a forth module is envisaged for October. The trainers are dealing with state aid issues on regularly basis and are coming from the Competition Council, Ministry of Public Finance and Ministry of Regional Development.</p> <p>The training activities within this project effectively took place between January and June 2014 (there were 400 participants - experts from Management Authorities, Intermediate Bodies, Audit Authority, Certification and Payment Authority). Additional projects are expected to be implemented after the conclusion of this</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>project (2015-2020).</p> <p>- It is foreseen a second training programme to start in autumn 2014. It will focus on the new General Block Exemption Regulation.</p> <p>Since the state aid area is under constant development/modification and due to the new comers in the ESIF system, the training is an continuous activity. In order to assure the effective application of state aid rules, Romania intends to organize other training courses until the end of 2020. Training programmes are based on a training plan developed by the Public Servant Agency in cooperation with the Competition Council and it is constantly updated.</p> <p>The curricula established for the first training programme will be updated (new regulations, new cases) annually for 2015-2020 period accordingly with an analysis of the personnel training needs.</p> <p>Moreover, the continuous development of state aid skills for the public servants involved in the European funds is foreseen under the Technical Assistance Operational Programme 2014-2020.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
G5-The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds.	Partially	3. Arrangements to ensure administrative capacity for implementation and application of Union State aid rules.	Yes	<p>A specialized website concerning the State aid field was developed and continuously updated. The website is available both in Romanian and English.</p> <p>The website can be reached using one of the following addresses:</p> <p><a href="http://www.renascc.eu">www.renascc.eu</a></p> <p><a href="http://www.ajutordestat.ro">www.ajutordestat.ro</a></p> <p><a href="http://www.stateaid.ro">www.stateaid.ro</a></p> <p><a href="http://www.ajutordestat.eu">www.ajutordestat.eu</a></p> <p>The State aid experts within the Competition Council can be reached using the contact data posted on the website (phone and fax number, e-mail):</p> <p><a href="http://www.renascc.eu/?pag=153&amp;limba=en">http://www.renascc.eu/?pag=153&amp;limba=en</a></p>	<p>Since January 1st, 2007, the Community State aid legislation is directly applicable in Romania. As a consequence, all the State aid measures implemented by State aid grantors (national budget and European funds) have to comply with the European regulations in the State aid field.</p> <p>The national procedural rules are mentioned in GEO no 117/2006, modified and amended by the Law no 137/2007 (EN/RO versions available). According to the national procedural rules, all the exempted schemes and notifiable aid has to be assessed by The Competition Council prior of sending to the European Commission.</p> <p>In this context, the Competition Council's experts are included in the Inter-institutional Committee for Partnership and, also, in the Thematic Advisory Committees which will design the new Operational Programmes that will be implemented in Romania in 2014-2020 period. Also, the experts will contribute to the new Sectoral Operational Programmes which will be developed by the Romanian authorities in the next period.</p> <p>Within this process, the Competition Council will evaluate the potential State aid measures within the Operational Programmes and Guides and will offer specialized consultancy in order to</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>elaborate the State aid/de minimis schemes which will implement these support measures.</p> <p>The Competition Council has the administrative capacity to perform its duties both in the field of State aids granted through national and structural funds.</p> <p>The Competition Council's experts permanently assist the experts from the granting authorities (including those ones granting structural funds) in elaborating or modifying new State aid schemes.</p>
G6-The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA.	Partially	1. Arrangements for the effective application of Directive 2011/92/EU of the European Parliament and of the Council (EIA) and of Directive 2001/42/EC of the European Parliament and of the Council (SEA).	Yes	<p>Romania fully transposed EIA/SEA Directives through: EIA - GD 445/2009 on the assessment of the effects of certain public and private projects on the environment <a href="http://www.mmmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/HG445_13_iulie2009_EIA.pdf">http://www.mmmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/HG445_13_iulie2009_EIA.pdf</a></p> <p>SEA - GD no.1076/2004 on the establishment of assessment of the effects of certain plans and programmes on the environment.</p> <p><a href="http://www.mmmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/HG-SEA-ROMANA.pdf">http://www.mmmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/HG-SEA-ROMANA.pdf</a></p> <p>From institutional point of view, EIA/SEA procedure is unitary implemented, by each environmental protection county agency, by National Environmental Protection</p>	<p>The implementation of the provisions regarding EIA was realized also through a Joint Order of 4 Ministries, respectively through MO no. 135/76/84/1284/2010 for the approval of the methodology for implementing EIA for public and private projects,</p> <p><a href="http://www.fonduri-ue.ro/res/filepicker_users/cd25a597fd-62/Legislatie/nationala/7_Finanțe_publice_nerambursabile/3_Ordin_nr_135_2010.pdf">http://www.fonduri-ue.ro/res/filepicker_users/cd25a597fd-62/Legislatie/nationala/7_Finanțe_publice_nerambursabile/3_Ordin_nr_135_2010.pdf</a></p> <p>Romania has arrangements in place to ensure the quality of the information used in the EIA process. Legal provisions are</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				Agency (NEPA) and by the Ministry of Environment and Climate Change, depending on the competences established by the MO No. 135/2010 and GD no.1000/2012.	<p>contained into the GD 445/2009 on the assessment of the effects of certain public and private projects on the environment. Also, Romania has legal provisions on accredited/technically qualified experts preparing the EIA documentation, those are contained into the MO 1026/2009</p> <p><a href="http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/2009_Ordin_1026.pdf">http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/2009_Ordin_1026.pdf</a></p> <p>In the same time, the Order of the minister of waters and environment protection No. 863/2002 is approving methodological guidelines applicable to the steps of the EIA procedure.</p> <p><a href="http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/OrdinMAPM-863_2002-Ghid-RIM.pdf">http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/OrdinMAPM-863_2002-Ghid-RIM.pdf</a></p> <p>Romanian legislation offer early and effective opportunities to the public to participate in the environmental decision-making procedures. The legal provisions are contained into the art.15, 16 of the GD 445/2009; MO no. 135/76/84/1284/2010; art. 28-33 of the GD no.1076/2004. At the same time, we have a Guidance on public consultation in the framework of the EIA/SEA procedures</p> <p><a href="http://www.anpm.ro/ghid_privind_consultarea_publicului_in_cadrul_procedurilor_eia_si_sea-453">http://www.anpm.ro/ghid_privind_consultarea_publicului_in_cadrul_procedurilor_eia_si_sea-453</a>.</p> <p>Concerning arrangements to give access to</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>justice for the public concerned, including non-governmental organisations, Romania has legal provisions in art. 24, 25 of the GD 445/2009 and in Law 86/2000 for ratification of the Convention on access to information, public participation in decision-making and to justice in environmental matters, done at Aarhus, on 25 June 1998.</p> <p><a href="http://www.mmediu.ro/legislatie/acte_nor_mative/protectia_naturii/biodiversitate/Leg_ea%2086_2000_Aarhus.pdf">http://www.mmediu.ro/legislatie/acte_nor_mative/protectia_naturii/biodiversitate/Leg_ea%2086_2000_Aarhus.pdf</a></p> <p>We also mention the existence of the Order of the minister of waters and environmental protection no. 864/2002, on Transboundary EIA procedures, including public participation in decision-making process in the transboundary projects, ensuring the implementation of the transboundary provisions related to both of EIA Directive and Espoo Convention.</p> <p><a href="http://www.mmediu.ro/legislatie/acte_nor_mative/legislatie_orizontala/ORD_864_2002.pdf">http://www.mmediu.ro/legislatie/acte_nor_mative/legislatie_orizontala/ORD_864_2002.pdf</a></p>
G6-The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA.	Partially	2. Arrangements for training and dissemination of information for staff involved in the implementation of the EIA and SEA Directives.	No		In 2007, environmental authorities have been trained both to applying the provisions of EIA / SEA at the time of their transposition into national legislation and for application of subsequent legislation and guidelines to ensure correct

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>application of EU law.</p> <p>The purpose of the correct application of EU environmental authorities have been trained and developed guidelines as follows:</p> <ul style="list-style-type: none"> <li>• In 2008, proper training of personnel involved in the implementation of the SEA Directive - for guidelines on energy, industry, spatial and transport plans, guidelines developed in 2007 through a PHARE project assistance;</li> <li>• In 2010, proper training of personnel involved in the implementation of the EIA Directive (environmental authorities SOP management authority with IBs and water authorities) - for sector-specific guides water / wastewater, waste, heating and transport, guides developed by Technical Assistance Jaspers.</li> </ul> <p>In 2010 training was attended by about 200 people (from local environmental authorities, Regional, National Agency for Environmental Protection and the Ministry of Environment, Water Basin Administration, the managing authority and intermediate bodies SOP) training agenda is both its EIA guidelines and requirements for the content of Annex 21 to Regulation no. 1083/2006 and examples for completing the sections of the application form.</p> <p>Also, in order to exchange experience and</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>to ensure consistency on the implementation of the rules, Romania has a system of dissemination and exchange of information in place for all staff involved in the implementation of EIA and SEA Directives. We have published on the MECC and NEPA information concerning the implementation of EIA and SEA Directives (guidance, database, schemes of the procedure, decisions, evaluation studies, autorizations etc.).</p> <p><a href="http://www.mmediu.ro/beta/domenii/evaluarea-impactului-asupra-mediului/legislatie-orizontala-si-reglementari/">http://www.mmediu.ro/beta/domenii/evaluarea-impactului-asupra-mediului/legislatie-orizontala-si-reglementari/</a></p> <p><a href="http://www.anpm.ro/legislations/index/slug:Legislatie">http://www.anpm.ro/legislations/index/slug:Legislatie</a></p> <p><a href="http://www.anpm.ro/files2/Ghid%20generatiu%20privind%20evaluarea%20de%20mediu%20pentru%20pl.pdf">http://www.anpm.ro/files2/Ghid%20generatiu%20privind%20evaluarea%20de%20mediu%20pentru%20pl.pdf</a></p> <p>For 2014-2020 the training for environmental authorities will be better substantiated. For this purpose was developed (through assistance from JASPERS) a strategy and plan training for training all personnel involved in implementing the EIA and SEA at all relevant levels (competent and involved authorities meaning personnel from LEPA, NEPA, Intermediate Bodies, Management Authorities, project beneficiaries (County Councils, ANAR,</p>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>etc). Training plan includes measurable quantitative data (training sessions, time scheduling, curricula, students estimated, etc).</p> <p>The training will be implemented in two cycles: 2014 – 2016 and 2017- 2020, using funds from 2007-2013 and 2014-2020 programming periods.</p>
G6-The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA.	Partially	3. Arrangements to ensure sufficient administrative capacity.	Yes	<p>In 2010, 7 EIA guidelines have been elaborated as regards projects for motor highways, railways, floods, integrated waste management systems, wastewater treatment plants and wastewater networks (JASPERS guidelines). <a href="http://www.anpm.ro/ghiduri_eia-54776">http://www.anpm.ro/ghiduri_eia-54776</a></p> <p>As well as, in 2007, SEA guidelines developed for energy, industry, territorial planning and transport plans (PHARE assistance).</p> <p><a href="http://www.anpm.ro/articole/avizul_de_meniu-85">http://www.anpm.ro/articole/avizul_de_meniu-85</a></p> <p>Also, we have a Ministerial Order No. 19/2010 for the approval of the methodological guidelines for appropriate assessment as required by the Habitats Directive.</p> <p><a href="http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/Ordin-19-2010-Evaluarea-adevata.pdf">http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/Ordin-19-2010-Evaluarea-adevata.pdf</a></p> <p>At the same time, MO 117/2006 approve the manual on the procedure regarding the application of environmental assessment for plans and programs, based on the Guidelines for the implementation of Directive</p>	<p>At the level of the 42 County Environmental Protection Agency and the NEPA are structures that have functions relating to the environmental impact assessment and appropriate assessment.</p> <p>These structures have qualified employees, selected according to national regulations regarding human resources in public administration (approximately 400 people). Staff employed in these structures needs further training in this area to provide practical advice and substantive legal personnel dealing with ESI funds for the applicability of the EIA / SEA.</p> <p>In 2010, 7 EIA guidelines have been elaborated as regards projects for motor highways, railways, floods, integrated waste management systems, wastewater treatment plants and wastewater networks (JASPERS guidelines).</p> <p><a href="http://www.anpm.ro/ghiduri_eia-54776">http://www.anpm.ro/ghiduri_eia-54776</a></p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				2001/42/EC, prepared by the European Commission. <a href="http://www.mmediu.ro/legislatie/acte_normative/legislatie_orizontala/04sea.pdf">http://www.mmediu.ro/legislatie/acte_normative/legislatie_orizontala/04sea.pdf</a>	<p>As well as, in 2007, SEA guidelines developed for energy, industry, territorial planning and transport plans (PHARE assistance).</p> <p><a href="http://www.anpm.ro/articole/avizul_de_mediu-85">http://www.anpm.ro/articole/avizul_de_mediu-85</a></p> <p>Also, we have a Ministerial Order No. 19/2010 for the approval of the methodological guidelines for appropriate assessment as required by the Habitats Directive.</p> <p><a href="http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/Oordin-19-2010-Evaluarea-adevata.pdf">http://www.mmediu.ro/protectia_mediului/legislatie_orizontala/legislatia_specifica/Oordin-19-2010-Evaluarea-adevata.pdf</a></p> <p>At the same time, MO 117/2006 approve the manual on the procedure regarding the application of environmental assessment for plans and programs, based on the Guidelines for the implementation of Directive 2001/42/EC, prepared by the European Commission.</p> <p><a href="http://www.mmediu.ro/legislatie/acte_normative/legislatie_orizontala/04sea.pdf">http://www.mmediu.ro/legislatie/acte_normative/legislatie_orizontala/04sea.pdf</a></p> <p>The EIA / SEA procedure is applied consistently at the level of every agency Environmental Protection Agency, National Environmental Protection Agency (NEPA) and the Ministry of Environment and Climate Change (MMECC), according to the competences established in the MO No. 135/2010 and</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>GD. No. 1000/2012.</p> <p>The specific legislation includes elements that contribute to information assurance used in EIA / SEA procedures, as follows:</p> <p>GD 445/2009, art 7 establish procedure for environmental impact assessment is conducted by central or local authorities for environmental protection, with the participation of public or local authorities, as appropriate, with duties and responsibilities in environmental protection. Participating authorities shall take place within a technical review committee, formed centrally in each county and in Bucharest and the Biosphere Reserve "Danube Delta";</p> <p>MO no. 1026/2009 for the approval conditions for the development of the environmental report, environmental impact report, environmental report, report of site safety report and appropriate assessment study establishes the procedure by which experts who prepare EIA reports , SEA, EA are registered in the National Register</p> <p>Order of the Minister of Waters and Environmental Protection no. 863/2002 regarding the approval of methodological guidelines framework stages of the procedure of environmental impact assessment. Mentioned Order approves the following guidelines:</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Methodological Guide for project screening stage in the procedure of environmental impact assessment; This guide is structured as follows:</p> <ul style="list-style-type: none"> <li>o a place and role classification stage as part of the EIA</li> <li>o practical aspects of implementing the screening stage</li> <li>o use checklist for screening stage</li> <li>o screening stage decision</li> </ul> <p>Methodological Guide for the Scoping phase and achieving assessment study report is structured as follows:</p> <ul style="list-style-type: none"> <li>o a place and role of the Scoping stage as part of the EIA procedure</li> <li>o A practical aspects of implementing the EIA scoping stage</li> <li>o use a Scoping Checklist</li> <li>o structure EIA report.</li> </ul> <p>Methodological Guide for EIA Report review stage, structured as follows:</p> <ul style="list-style-type: none"> <li>o a place and role of the review of the EIA report as part of the EIA procedure</li> <li>o practical aspects of achieving a</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					quality review of EIA report o A checklist used for the review of the EIA Report  Additionally as a supporting tool for the projects in water (water supply, wastewater, and floods), transport and waste sectors the specific guidelines are used during the EIA procedure, especially during the scoping and review of the EIA Reports. These guidelines are focused on the information necessary to be provided in the EIA Report for each type of project
G7-The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	No	1. Arrangements for timely collection and aggregation of statistical data with the following elements are in place: the identification of sources and mechanisms to ensure statistical validation.	No		This criteria will be entirely analysed at each operational programme's level.
G7-The existence of a statistical basis necessary to undertake evaluations to assess the	No	2. Arrangements for timely collection and aggregation of statistical data with the following elements are in place:	No		This criteria will be entirely analysed at each operational programme's level.

<b>Applicable ex-ante conditionality at national level</b>	<b>Applicable ex-ante conditionality fulfilled: Yes/No/Partially</b>	<b>Criteria</b>	<b>Criteria fulfilled (Yes/No)</b>	<b>Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)</b>	<b>Explanation</b>
effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.		arrangements for publication and public availability of aggregated data.			
G7-The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	No	3. An effective system of result indicators including: the selection of result indicators for each programme providing information on what motivates the selection of policy actions financed by the programme.	No		This criteria will be entirely analysed at each operational programme's level.
G7-The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	No	4. An effective system of result indicators including: the establishment of targets for these indicators.	No		This criteria will be entirely analysed at each operational programme's level.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
G7-The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	No	5. An effective system of result indicators including: the consistency of each indicator with the following requisites: robustness and statistical validation, clarity of normative interpretation, responsiveness to policy, timely collection of data.	No		This criteria will be entirely analysed at each operational programme's level.
G7-The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	No	6. Procedures in place to ensure that all operations financed by the programme adopt an effective system of indicators.	No		This criteria will be entirely analysed at each operational programme's level.
T03.1-Specific actions have been carried out to underpin the promotion of entrepreneurship taking into account the Small Business Act (SBA).	Partially	1. The specific actions are: measures have been put in place with the objective of reducing the time and cost involved in setting-up a business taking account of the targets of the SBA;	Yes	<a href="https://portal.onrc.ro">https://portal.onrc.ro</a> <a href="http://www.inm.gov.ro/59/Activitati-si-acte-legislative">http://www.inm.gov.ro/59/Activitati-si-acte-legislative</a>	On-line services" for business community implemented by Trade Register Office and Ministry of Public Finance. The measure support entrepreneurs by reducing the time required to set up the business to 3 days and also reduces the costs for registration. Trade Register Office obtains electronically from the Ministry of Public Finance the

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>certificate attesting documents for company (within the duration for registration of 3 days.  <a href="https://portal.onrc.ro">https://portal.onrc.ro</a></p> <p>Reducing the start-up time for new enterprise to 3 working days and the medium cost to 100 eur by 2012 (Government Decision No. 902/01.09.2012 approving fees and charges for operations performed by the Trade Register Office was published in the Official Monitor No. 667/24.09.2012) and was completed and improved by Government Decision No. 425/20.05.2014 Art. VI (Official Monitor No. 391/27.05.2014).  <a href="http://www.inm.gov.ro/59/Activitati-si-acte-legislative">http://www.inm.gov.ro/59/Activitati-si-acte-legislative</a></p>
T03.1-Specific actions have been carried out to underpin the promotion of entrepreneurship taking into account the Small Business Act (SBA).	Partially	2. The specific actions are: measures have been put in place with the objective of reducing the time needed to get licenses and permits to take up and perform the specific activity of an enterprise taking account of the targets of the SBA;	No		A first measure which was in place the implementation of procedure for electronic demanding and sending the certificate regarding the registration of the document which stipulate the right of space designated as social quarters and the certificate for space designated as social quarters (Order of the National Agency for Fiscal Administration No.2015/2012 -



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p><a href="http://www.aippmm.ro/categorie/propunerii_lg/">http://www.aippmm.ro/categorie/propunerii_lg/</a></p> <p>By Government Decision No. 685/04.09.2013 (Official Monitor No. 584/16.09.2013) was established the Working Group for improving the business environment, identifying, analyzing and elaborating of proposals for reducing and simplify business licenses and permits.</p> <p>The Action Plan 2013-2014, elaborated by the WG, concerning business environment improving, was approved by Prime-minister and is under implementation.</p> <p>The Action Plan refers the simplification of legislative and administrative business environment, revising the legislative framework to get licenses and permits to take up and perform the specific activity of an enterprise, taking account the targets of SBA.</p> <p>Responsible: Departament for SMEs, Business Environment and Tourism</p> <p>Term: December 2014</p> <p><a href="http://www.inm.gov.ro/60/Grupuri-de-lucru-interministeriale">http://www.inm.gov.ro/60/Grupuri-de-lucru-interministeriale</a></p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T03.1-Specific actions have been carried out to underpin the promotion of entrepreneurship taking into account the Small Business Act (SBA).	Partially	3. The specific actions are: mechanism is in place to monitor the implementation of the measures of the SBA which have been put in place and assess the impact on SMEs.	Yes	<a href="http://www.imm.gov.ro/46/Legislatie-IMM">http://www.imm.gov.ro/46/Legislatie-IMM</a> <a href="http://imm.gov.ro/93/Testul-IMM">http://imm.gov.ro/93/Testul-IMM</a>	<p>Law no. 346/2004 regarding the stimulating of SME (modified and completed by the Law No. 62/30.04.2014) - Art. 25 (4) establishes the Consultative Committee for SMEs sector development, which includes representatives from the Chambers of Commerce and industry, the employers of small and medium enterprises, non-governmental organizations, specialized bodies of central public administration, as well as local government authorities.</p> <p>Law no. 346/2004 (modified and completed by the Law No. 62/2014) - Art. 9 establishes the Task Force for the economic impact assessment of laws on small and medium-sized enterprises.</p> <p>Also, art. 91 establishes, the obligation of introducing and using "The SME Test" for each new project of regulation, with impact on SMEs, as well as of the "only once", "think small first" and "one in/one out" principles.</p> <p><a href="http://www.imm.gov.ro/46/Legislatie-IMM">http://www.imm.gov.ro/46/Legislatie-IMM</a></p> <p>By Ministerial Order (no. 628/2014, published in MOI nr.438/16.06.2014) was approved the methodology for development and implementation of SMEs test. (<a href="http://imm.gov.ro/93/Testul-IMM">http://imm.gov.ro/93/Testul-IMM</a>)</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T01.2-Research and Innovation infrastructure. The existence of a multi annual plan for budgeting and prioritisation of investments.	Yes	1. An indicative multi-annual plan for budgeting and prioritisation of investments linked to Union priorities, and, where appropriate, the European Strategy Forum on Research Infrastructures (ESFR) has been adopted.	Yes	<a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> .	The multi-annual RDI budgetary resources framework also contains available budgetary resources and prioritization of investments linked to EU priorities and ESFR and there is part of the National RDI Strategy.
T04.1-Actions have been carried out to promote cost effective improvements of energy end use efficiency and cost effective investment in energy efficiency when constructing or renovating buildings.	Yes	4. The actions are: measures consistent with Article 13 of Directive 2006/32/EC of the European Parliament and of the Council on energy end-use efficiency and energy services to ensure the provision to final customers of individual meters in so far as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings.	Yes	GO no. 22/2008 regarding the energy efficiency and promoting the end-users of renewable energy (art. 9 ). GD no.1007/2004 for approval of electricity supply to consumers (art. 85 and 128).	As already stated by the Energy Law no.13/2007, each electric energy consumption point has to be retrofitted with an individual energy meters. A similar situation applies to the gas market where approx. 6% of such meters is located in buildings for groups of apartments (on a stair or for the whole block). For the thermal energy those meters are installed at the building perimeter. Smart metering projects are envisaged.
T04.1-Actions have been carried out to promote cost effective improvements of energy end use efficiency and cost effective investment in energy efficiency when constructing or renovating buildings.	Yes	1. The actions are: measures to ensure minimum requirements are in place related to the energy performance of buildings consistent with Article 3, Article 4 and Article 5 of Directive 2010/31/EU of the European Parliament and of the Council;	Yes	Law no. 159/2013 amending and supplementing Law no. 372/2005 which transposing the Directive UE/31/2010 was published in the Official Journal no. 283/20 May 2013. <a href="http://www.mdrt.ro/userfiles/legs_modificare_372_2005.pdf">http://www.mdrt.ro/userfiles/legs_modificare_372_2005.pdf</a>	The national legislation which transpose the requirements related to the energy performance of buildings is as following: – Order of the Minister of the transport, constructions and tourism no.157/2007 for the approval of the technical regulations “The methodology for the calculations of the energy performance of buildings, amended and supplemented – Order of the Minister of

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					regional development and tourism no.1217/2010 on completing the Annex no. 4 "Part IV - Roundup calculating the energy performance of buildings and apartments, indicative Mc 001/4-2009" to Order of the Minister of transport, constructions and tourism no. 157/2007 for the approval of the technical regulations "The methodology for the calculations of the energy performance of buildings"
T04.1-Actions have been carried out to promote cost effective improvements of energy end use efficiency and cost effective investment in energy efficiency when constructing or renovating buildings.	Yes	2. The actions are: measures necessary to establish a system of certification of the energy performance of buildings consistent with Article 11 of Directive 2010/31/EU;	Yes	Order of the Minister of transport, constructions and tourism no.157/2007 for the approval of technical regulation "Methodology for calculating the energy performance of buildings" as amended and supplemented: Part III – Audit and performance certificate of the building – Chapter III 2.3, annex 7 and 8 - Information regarding building certified	
T04.1-Actions have been carried out to promote cost effective improvements of energy end use efficiency and cost effective investment in energy efficiency when constructing or renovating buildings.	Yes	3. The actions are: measures to ensure strategic planning on energy efficiency, consistent with Article 3 of Directive 2012/27/EU of the European Parliament and of the Council;	Yes	For residential buildings: - GEO no.18/2009, approved with amendments by Law no.158/20011, with subsequent amendments and completions - GEO no.69/2010, approved with amendments by Law no.76/2011	
T04.2-Actions have been carried out to promote high efficiency co	Yes	1. Support for co-generation is based on useful heat demand and primary energy	Yes	Art. 8, GD no.219/2007 on the promotion of cogeneration	

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
generation of heat and power.		savings consistent with Article 7(1) and points (a) and (b) of Article 9(1) of Directive 2004/8/EC;		based on a useful heat demand.  The report regarding the cogeneration potential according to the Directive 2004/8/EC requirements on the promotion of cogeneration in Romania evaluation could be consulted on:( <a href="http://ec.europa.eu/energy/efficiency/cogeneration/cogeneration_en.htm">http://ec.europa.eu/energy/efficiency/cogeneration/cogeneration_en.htm</a> )	
T04.2-Actions have been carried out to promote high efficiency cogeneration of heat and power.	Yes	2. Member States or their competent bodies have evaluated the existing legislative and regulatory framework with regard to authorisation procedures or other procedures in order to: (a) encourage the design of cogeneration units to match economically justifiable demands for useful heat output and avoid production of more heat than useful heat; and (b) reduce the regulatory and non-regulatory barriers to an increase in cogeneration.	Yes	ANRE Order no. 48/2013 regarding the Regulation for licensing and authorizations in the electricity sector, art. 19, par. (1) contains the necessary requirements. Similar requirements were stated in the previous regulation approved by GD no.540/2004.  Last assessment (report, according to Directive 2004/8/EC on the promotion of cogeneration in Romania evaluation) containing barrier analysis is found at: <a href="http://ec.europa.eu/energy/efficiency/cogeneration/cogeneration_en.htm">http://ec.europa.eu/energy/efficiency/cogeneration/cogeneration_en.htm</a>  The legislative framework for the promotion of the support scheme (the scheme bonus type support has been notified to the European Commission and the Romanian authorities was approved by Commission Decision C (2009) 7085 of 17.09.2009 on State aid no. 437/2009 ) was completed, the support for cogeneration in the new scheme was granted in April 2011. Aspects of licensing and networking were reviewed periodically ANRE last orders in this regard is 59/2013 and 48/2013.  in the reporting, other support measures are mentioned (eg allocation of emission of greenhouse gases).	Given the technical problems of old CHP plants built before 1980, is justified to develop a program of support for maintaining high-efficiency cogeneration in these plants, mainly by supporting cogeneration based on a useful heat demand by providing of investment aids in the rehabilitation and modernization of the production capacities in CHP through the EU funding program for 2014-2020.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T05.1-Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	No	1. A national or regional risk assessment with the following elements shall be in place:	No		A national risk assessment will be made through a technical assistance project. Final term is December 2015.
T05.1-Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	No	2. a description of the process, methodology, methods, and non-sensitive data used for risk assessment as well as of the risk-based criteria for the prioritisation of investment;	No		
T05.1-Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	No	3. a description of single-risk and multi-risk scenarios;	No		
T05.1-Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	No	4. taking into account, where appropriate, national climate change adaptation strategies.	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T06.1-Water sector: The existence of a) a water pricing policy which provides adequate incentives for users to use water resources efficiently and b) an adequate contribution of the different water uses to the recovery of the costs of water services at a rate determined in the approved river basin management plan for investment supported by the programmes.	Partially	1. In sectors supported by the ERDF, the Cohesion Fund and the EAFRD, a Member State has ensured a contribution of the different water uses to the recovery of the costs of water services by sector consistent with the first indent of Article 9(1) of Directive 2000/60/EC having regard, where appropriate, to the social, environmental and economic effects of the recovery as well as the geographic and climatic conditions of the region or regions affected.	No		<p>The measure was partially fulfilled by Waters Law no.107/1996 with amendments (Chapter V – economic mechanisms in water field, articles 80-82, which established the recovery costs of services for water use) which transposed the first indent of Article 9(1) of Directive 2000/60/EC.</p> <p><a href="http://www.rowater.ro/Lists/Legislatie%20specifica/DispForm.aspx?ID=1&amp;Source=http%3A%2F%2Fwww%2Erowater%2Ero%2FLists%2FLegislatie%2520specifica%2FAllitems%2Easpx">http://www.rowater.ro/Lists/Legislatie%20specifica/DispForm.aspx?ID=1&amp;Source=http%3A%2F%2Fwww%2Erowater%2Ero%2FLists%2FLegislatie%2520specifica%2FAllitems%2Easpx</a></p> <p>The analysis for the recovery of related costs of water services will be completed in the following Basin Rivers Management Plans, by including of the externalities of environmental costs and of costs of resources on the basis of the recommended methodologies of European Commission.</p>
T06.1-Water sector: The existence of a) a water pricing policy which provides adequate incentives for users to use water resources efficiently and b) an adequate contribution of the different water	Partially	2. The adoption of a river basin management plan for the river basin district consistent with Article 13 of Directive 2000/60/EC.	Yes	The adoption of National Management Plan for the part of the International Danube District which belongs to Romanian Territory and of 11 River Basins Management Plans was achieved by the approval of Governmental Decision no.80/2011	The River Basin Management Plans( for the 11 River Basins of Romania) elaborated by National Administration "Apele Romane", in accordance with the provisions of the Directive 2000/60/CE establishing a

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
uses to the recovery of the costs of water services at a rate determined in the approved river basin management plan for investment supported by the programmes.				<a href="http://www.rowater.ro/Lists/Legislatie%20specifica/Allite msg.aspx?ShowInGrid=False">http://www.rowater.ro/Lists/Legislatie%20specifica/Allite msg.aspx?ShowInGrid=False</a> Every river basin management plan for the river basin district are consistent with Article 13 of Directive 2000/60/EC and address the elements of the Annex VII of the Directive.	framework for Community action in the field of water policy set out also and assessed the costs for the basis measures and supplementary measures for significant pollution sources. These measures will assure to reach the good status of water in the context of implementation process of European legislation in the field of water, with the result in decreasing of the pollution of surface waters.  Jiu: <a href="http://www.rowater.ro/dajiu/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/dajiu/SCAR/Planul%20de%20management.aspx</a>  Argeş Vedea: <a href="http://www.rowater.ro/daarges/Continut%20Site/Directive%20Europene/Planul%20de%20management.aspx">http://www.rowater.ro/daarges/Continut%20Site/Directive%20Europene/Planul%20de%20management.aspx</a>  <a href="http://www.rowater.ro/daarges/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/daarges/SCAR/Planul%20de%20management.aspx</a>  Mures: <a href="http://www.rowater.ro/damures/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/damures/SCAR/Planul%20de%20management.aspx</a> <a href="http://www.rowater.ro/damures/Planul%20de%20Management%20al%20Bazinului%20Hidrografic%20Mure/Brosura%20%20pentru%20public%20PMB%20Mures.pdf">http://www.rowater.ro/damures/Planul%20de%20Management%20al%20Bazinului%20Hidrografic%20Mure/Brosura%20%20pentru%20public%20PMB%20Mures.pdf</a>  Banat: <a href="http://www.rowater.ro/dabanat/SCAR/Planul%20de%20Management.aspx">http://www.rowater.ro/dabanat/SCAR/Planul%20de%20Management.aspx</a>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Crișuri:  <a href="http://www.rowater.ro/dacrisuri/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/dacrisuri/SCAR/Planul%20de%20management.aspx</a></p> <p>Prut:  <a href="http://www.rowater.ro/daprut/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/daprut/SCAR/Planul%20de%20management.aspx</a></p> <p>Dobrogea Litoral:  <a href="http://www.rowater.ro/dadobrogea/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/dadobrogea/SCAR/Planul%20de%20management.aspx</a></p> <p>Someș Tisa:  <a href="http://www.rowater.ro/dasomes/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/dasomes/SCAR/Planul%20de%20management.aspx</a></p> <p>Siret:  <a href="http://www.rowater.ro/dasiret/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/dasiret/SCAR/Planul%20de%20management.aspx</a></p> <p>Olt :  <a href="http://www.rowater.ro/daolt/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/daolt/SCAR/Planul%20de%20management.aspx</a></p> <p>Buzău-Ialomița:  <a href="http://www.rowater.ro/dabuzau/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/dabuzau/SCAR/Planul%20de%20management.aspx</a></p> <p>ANAR:  <a href="http://www.rowater.ro/SCAR/Planul%20de%20management.aspx">http://www.rowater.ro/SCAR/Planul%20de%20management.aspx</a></p>
T06.2-Waste sector: Promoting economically and environmentally sustainable investments in the waste	Partially	1. An implementation report as requested by Article 11(5) of Directive 2008/98/EC has been submitted to the Commission on	Yes	The report is submitted to the Commission (14 February 2014). The report is published on National Environmental	Taking into account the provisions of the art.11 of the Directive 2008/98/EC, Romania is implementing the following

Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy.	progress towards meeting the targets set out in Article 11 of Directive 2008/98/EC.		<p>Protection Agency web site  <a href="http://www.anpm.ro/upload/124082_Raport%20implementare%20Directiva%202008-98-CE%20privind%20deseurile.pdf">http://www.anpm.ro/upload/124082_Raport%20implementare%20Directiva%202008-98-CE%20privind%20deseurile.pdf</a></p> <p>The report respect the Commission Implementing Decision of 18.4.2012 establishing a questionnaire for Member States reports on the implementation of Directive 2008/98/EC of the European Parliament and of the Council on waste.</p>	<p>measures with the scope to meet the targets by 2020:</p> <ul style="list-style-type: none"> <li>- Romania has a requirement to reduce with 15% the quantities of waste disposed by landfilling of municipal and similar wastes collected by public sanitation service (Law no. 167/2010) <a href="http://www.afm.ro/main/legislatie_sus/leg_ea167-2010.pdf">http://www.afm.ro/main/legislatie_sus/leg_ea167-2010.pdf</a></li> <li>- prohibiting disposal by landfilling of the: <ul style="list-style-type: none"> <li>o packaging waste , except those resulting from selective collection or sorting processes, which are not recoverable or that can not be incinerated at waste incineration plants with energy recovery (art. 16, alin. 15, GD 621/2005), <a href="http://www.mmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_621_2005.pdf">http://www.mmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_621_2005.pdf</a></li> <li>o waste electrical and electronic equipment (GD 1037/2010) <a href="http://www.mmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_1037_2010.pdf">http://www.mmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_1037_2010.pdf</a></li> </ul> </li> <li>- Also, in the proposed amendment of Law 101/2006 regarding sanitation services adopted by Parliament, which is in process of promulgating, measures shall be provided in order to:</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<ul style="list-style-type: none"> <li>o Implement separate collection system for at least four fractions;</li> <li>o Prohibit entrusting storage of recoverable fraction collected separately at source;</li> <li>o implementation of separate collection schemes by color on both packaging and non-packaging materials from municipal waste (investment projects financed from European/national funds programming period)</li> </ul> <a href="http://www.cdep.ro/pls/proiecte/docs/2010/cd253_10.pdf">http://www.cdep.ro/pls/proiecte/docs/2010/cd253_10.pdf</a>
T06.2-Waste sector: Promoting economically and environmentally sustainable investments in the waste sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy.	Partially	2. The existence of one or more waste management plans as required under Article 28 of Directive 2008/98/EC;	No		<p>National Waste Management Strategy (NWMS) is revised in accordance with the new requirements/European guidelines. It was adopted by GD 870/2013</p> <p><a href="http://immediu.ro/new/wp-content/uploads/2014/01/2014-01-28_SNGD_HG_870_2013.pdf">http://immediu.ro/new/wp-content/uploads/2014/01/2014-01-28_SNGD_HG_870_2013.pdf</a></p> <p>National Waste Management Plan (NWMP) will be revised in accordance with NWMS and the new requirements of Law 211/2011 on waste which transpose Directive 2008/98/EC. Currently we are preparing tender documentation to choose the consultant which will realize the NWMP.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T06.2-Waste sector: Promoting economically and environmentally sustainable investments in the waste sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy.	Partially	3. The existence of waste prevention programmes, as required under Article 29 of Directive 2008/98/EC;	No		National Waste Management Plan will contain the National Waste Prevention Plan.
T06.2-Waste sector: Promoting economically and environmentally sustainable investments in the waste sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy.	Partially	4. Necessary measures to achieve the targets on preparation for re-use and recycling by 2020 consistent with Article 11(2) of Directive 2008/98/EC have been adopted.	Yes	<ul style="list-style-type: none"> <li>- Law on waste management 211/2011. <a href="http://www.mmmediu.ro/beta/wp-content/uploads/2012/05/2012-05-17_LEGE_211_2011.pdf">http://www.mmmediu.ro/beta/wp-content/uploads/2012/05/2012-05-17_LEGE_211_2011.pdf</a></li> <li>- GEO 31/2013 - was introduced the storage fee with a phased structure from 50 lei/tonne in 2014, but by Law 384/24.12.2013 approving the ordinance, enforcement was delayed until January 01 in 2017 and the fee will be 80 lei/tonne. <a href="http://www.afm.ro/legislatie_acte_normative.php">http://www.afm.ro/legislatie_acte_normative.php</a></li> <li>- art. 10(2), art.16 (2) GD 621/2005 on packaging and packaging waste producer contain provisions for operators that produce products packaged in reusable packaging. They shall take the necessary measures to ensure an optimal number of cycles of use and producer responsibility schemes for exploitation, ie recycling of packaging waste; <a href="http://www.mmmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_621_2005.pdf">http://www.mmmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_621_2005.pdf</a></li> <li>- article 7 (6) GD 1037/2010 on waste electrical</li> </ul>	The Law on waste management 211/2011 contain the necessary measures in order to achieve the target on re-use and recycling by 2020 in conformity with the Article 11.2 of the Directive 2008/98/EC.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				and electronic equipment - manufacturers are obliged to organize the collection, recovery and recycling of electrical and electronic equipment; <a href="http://www.anpm.ro/legislations/view/69">http://www.anpm.ro/legislations/view/69</a> - art. 7 (7) GD 1132/2008 on batteries and accumulators and waste batteries and accumulators - manufacturers of batteries and accumulators are required to organize the collection of waste batteries and accumulators <a href="http://www.mmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_1132_2008.pdf">http://www.mmediu.ro/beta/wp-content/uploads/2012/05/2012-05-18_hg_1132_2008.pdf</a>	
T07.1-Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	No	5. a realistic and mature pipeline for projects for which support from the ERDF and the Cohesion Fund is envisaged;	No		
T07.1-Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public	No	1. The existence of a comprehensive transport plan or plans or framework or frameworks for transport investment which complies with legal requirements for strategic environmental assessment and sets out:	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.					
T07.1-Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	No	2. the contribution to the single European Transport Area consistent with Article 10 of Regulation (EU) No .../2013 of the European Parliament and of the Council, including priorities for investments in:	No		
T07.1-Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	No	3. the core TEN-T network and the comprehensive network where investment from the ERDF and the Cohesion Fund is envisaged; and	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T07.1-Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	No	4. secondary connectivity;	No		
T07.1-Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	No	6. Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	No		
T07.2-Railway: The existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on railway development in accordance with the Member States' institutional set up (including concerning public transport at	No	1. The existence of a section on railway development within the transport plan or plans or framework or frameworks as set out above which complies with legal requirements for strategic environmental assessment (SEA) and sets out a realistic and mature project pipeline (including a	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks. The investments cover mobile assets, interoperability and capacity building.		timetable and budgetary framework);			
T07.2-Railway: The existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on railway development in accordance with the Member States' institutional set up (including concerning public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks. The investments cover mobile assets, interoperability and capacity building.	No	2. Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	No		
T08.1-Active labour market policies are designed and delivered in the light of the Employment guidelines.	No	1. Employment services have the capacity to, and do, deliver personalised services and active and preventive labour market measures at an early stage, which are open to all jobseekers while focusing on people at highest risk of social exclusion, including people from marginalised communities;	No		<ul style="list-style-type: none"> <li>Active measures to stimulate employment are foreseen by the Law no. 76/2002, recently amended by Law no. 250/2013. The objectives to be achieved by the Public Employment Service are foreseen within the annual contract of management performance signed between Ministry of Labour, Family, Social</li> </ul>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Protection and Elderly and PES. The results of achieving the performance indicators are reported quarterly.</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a></p> <p><a href="http://www.anofm.ro/category/1/4/10">http://www.anofm.ro/category/1/4/10</a> -the stage of implementation of employment programme, the stage of implementation of vocational programme – periodically – all documents</p> <p><a href="http://www.anofm.ro/files/raport%20de%20activ%202012.PDF">http://www.anofm.ro/files/raport%20de%20activ%202012.PDF</a> –2012 Activity report – entire document</p> <p><a href="http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012">http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012</a> - 2012 employment achievements – the entire document with annexes</p> <p><a href="http://www.anofm.ro/category/1/4/14">http://www.anofm.ro/category/1/4/14</a> - job fairs organized nationwide, press releases.</p> <p><a href="http://www.anofm.ro/plan-de-formare-2014">http://www.anofm.ro/plan-de-formare-2014</a> - the entire document with annexes</p> <p>Note regarding the stage of implementation of employment programme</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<a href="http://www.anofm.ro/program-ocupare-ian-2014">http://www.anofm.ro/program-ocupare-ian-2014</a> - <a href="http://www.anofm.ro/program-ocupare-2013">http://www.anofm.ro/program-ocupare-2013</a> – pages 16-18 <a href="http://www.anofm.ro/program-ocupare-2012">http://www.anofm.ro/program-ocupare-2012</a> Outcomes of the training plan <a href="http://www.anofm.ro/realizari-plan-formare-2012">http://www.anofm.ro/realizari-plan-formare-2012</a> <a href="http://www.anofm.ro/realizari-plan-formare-2013">http://www.anofm.ro/realizari-plan-formare-2013</a> <a href="http://www.anofm.ro/realizari-plan-formare-2014">http://www.anofm.ro/realizari-plan-formare-2014</a> <ul style="list-style-type: none"> <li>Early intervention measures are available in accordance with the provisions of chapter. 4 "Measures for preventing unemployment" of Law. 76/2002 and of Government Decision no. 278/2002 for approving the procedures concerning the access to measures for preventing unemployment, financing means and implementation instructions  <a href="http://www.mmuncii.ro/j33/images/Docu">http://www.mmuncii.ro/j33/images/Docu</a></li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>mente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</p> <p><a href="http://www.mmuncii.ro/pub/imagemanagement/images/file/Legislatie/HOTARARI-DE-GUVERN/HG%20nr%20278%20din%202002.doc">http://www.mmuncii.ro/pub/imagemanagement/images/file/Legislatie/HOTARARI-DE-GUVERN/HG%20nr%20278%20din%202002.doc</a></p> <p>–</p> <p>– Inclusive service offer, free of charge is provided in accordance with Law no. 76/2002, recently amended by Law no. 250/2013. Thus, the services provided by NEA are free of charge and are provided without any discrimination to all persons registered.</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a></p> <p>,</p> <p><a href="http://www.anofm.ro/category/1/4/10">http://www.anofm.ro/category/1/4/10</a> -the stage of implementation of employment programme, the stage of implementation of vocational programme – periodically – all documents</p> <p><a href="http://www.anofm.ro/search/node/RAPORT+DE+ACTIVITATE">http://www.anofm.ro/search/node/RAPORT+DE+ACTIVITATE</a>, - PES Yearly Activity reports – all documents</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p><a href="http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012">http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012</a>, 2012 employment achievements – the entire document with annexes</p> <p><a href="http://www.anofm.ro/category/1/4/14">http://www.anofm.ro/category/1/4/14</a>- job fairs organized at national level, press releases.</p> <p>Individual action plan is designed for all persons included in NEA ' registers based on the individual mediation plan foreseen in art. 60 of Law no. 76/2002 and in accordance with NEA's President Order no. 85/2002 as amended and supplemented by the Order 281/2004)</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a></p> <p><a href="http://www.anofm.ro/ordinul-nr-852002-%28modif-si-completat-ord-2812004%29">http://www.anofm.ro/ordinul-nr-852002-%28modif-si-completat-ord-2812004%29</a></p> <p>Special measures targeted to disadvantaged people on the labor market are established in the annual employment programs and training plans which are approved by the board of directors and by MoLFSPE</p> <p>Special measures to stimulate employment</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>for people under risk of exclusion are provided in accordance with the provisions of Section 3 "Promoting labor market participation of young people under risk of social marginalization" Law. 76/2002 as amended by Law no. 250/2013)</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a></p> <p>Annual employment programs and training plans, programs targeting people in these communities - 150 program, especially for 150 rural localities, Program 50, targeting 50 urban communities which comprise comprehensive special measures for disadvantaged people on the labor market, approved by the Board of Directors of the NEA and MoLSPE</p> <p><a href="http://www.anofm.ro/files/po/%201%202013%20propuneri.20.PDF">http://www.anofm.ro/files/po/%201%202013%20propuneri.20.PDF</a></p> <p>employment program for 2013, page 5, Annexes 9-11, pag. 10-23, Special Programs (Program 150, program 50, 140 special program for communities with Roma population)</p> <p><a href="http://www.anofm.ro/files/Programat%20116%20%20%20%202013.PDF">http://www.anofm.ro/files/Programat%20116%20%20%20%202013.PDF</a></p>

Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<a href="http://www.anofin.ro/raportul-de-activitate-al-anofin-pentru-anul-2013">http://www.anofin.ro/raportul-de-activitate-al-anofin-pentru-anul-2013</a> - Activity report for 2013 -
T08.1-Active labour market policies are designed and delivered in the light of the Employment guidelines.	2. Employment services have the capacity to, and do, deliver: comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the labour market.	No		<p>Two of the sub-criteria considered under this criteria are fulfilled, namely:</p> <ul style="list-style-type: none"> <li>National Employment Agency is implementing actions aimed at increasing transnational mobility under an annual plan of activities, part of the EURES network, which is funded by the European Commission. Through EURES portal is provided access to vacancies available in other EU Member States, this service being accessible from the NEA's website. Transferring vacancies to EURES' Mobility Job Portal is already carried out by the NEA, which exports through web-service the jobs from national to European level.</li> </ul> <p><a href="https://ec.europa.eu/eures/home.jsp?lang=ro">https://ec.europa.eu/eures/home.jsp?lang=ro</a></p> <p><a href="https://ec.europa.eu/eures/main.jsp?catId=3&amp;acro=eures&amp;lang=ro">https://ec.europa.eu/eures/main.jsp?catId=3&amp;acro=eures&amp;lang=ro</a></p> <ul style="list-style-type: none"> <li>At NEA's level, there is a system for recording the vacancies notified by employers. Daily offer of job vacancies is visible on the NEA's website.</li> </ul> <p><a href="http://www.semm.ro/LMV/home.seam">http://www.semm.ro/LMV/home.seam</a></p> <p>Measures shall be taken in order to have a</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					system for a nationwide collection and analysis of labour market data/labour market intelligence.
T08.1-Active labour market policies are designed and delivered in the light of the Employment guidelines.	No	3. Employment services have set up formal or informal cooperation arrangements with relevant stakeholders.	No		<p>Five of the sub-criteria considered under this criteria are fulfilled, namely:</p> <ul style="list-style-type: none"> <li>– Employment service providers can provide services only if they are accredited by the NEA and registered in the register of accredited providers of employment services. As necessary, PES is contracting specialized services with the accredited providers in accordance with the Law. Accredited employment service providers have the obligation to communicate monthly to employment agencies under their jurisdiction the number of unemployed who benefitted of mediation services and those employed.</li> <li>– There is cooperation with public authorities regarding the granting of other benefits, namely those concerning the minimum guaranteed income, there is an exchange of information between city halls and local PES so that to be able to correctly apply the law 416/2001</li> <li>– Specialized employment services (labour mediation and information and professional counselling) can be</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>contracted from the private providers</p> <ul style="list-style-type: none"> <li>– PES is providing training courses both through its own centres and also through authorized training providers by the law, based on signed contracts. PES organizes each year job fairs for graduates, in all counties, as specific mediation actions in collaboration with schools, employers and other relevant partners. The PES works with schools, local authorities, providers of employment services, training providers as part of ESF funded projects based on partnership agreements.</li> </ul> <p><a href="http://www.anofm.ro/search/node/burse">http://www.anofm.ro/search/node/burse</a></p> <p><a href="http://www.anofm.ro/protocol-ministerul-educatiei">http://www.anofm.ro/protocol-ministerul-educatiei</a></p> <ul style="list-style-type: none"> <li>– Specific agreements were signed with Ministry of Education (2012) and National Administration of Penitentiaries</li> </ul> <p><a href="http://www.anofm.ro/protocol-penitenciar">http://www.anofm.ro/protocol-penitenciar</a></p> <p><a href="http://www.anofm.ro/protocol-ministerul-educatiei">http://www.anofm.ro/protocol-ministerul-educatiei</a></p> <p>It is necessary to complete some steps in order to develop the cooperation with the temporary work agencies.</p>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T08.2-Self-employment, entrepreneurship and business creation: the existence of a strategic policy framework for inclusive start-up.	Yes	1. A strategic policy framework for inclusive start-up support is in place with the following elements:	Yes	The National Strategy for Employment 2014-2020 was approved by GD no. 1071/2013	
T08.2-Self-employment, entrepreneurship and business creation: the existence of a strategic policy framework for inclusive start-up.	Yes	2. measures have been put in place with the objective of reducing the time and cost involved in setting up a business, taking account of the targets of the SBA;	Yes	<p>“On-line services” for business community implemented by Trade Register Office and Ministry of Public Finance. The measure support entrepreneurs by reducing the time required to set up the business to 3 days and also reduces the costs for registration. Trade Register Office obtains electronically from the Ministry of Public Finance the certificate attesting documents for company within the duration for registration of 3 days.</p> <p>Reducing the start-up time for new enterprise to 3 working days and the medium cost to 100 eur by 2012 (Government Decision No. 902/2012 approving fees and charges for operations performed by the Trade Register Office was published in the Official Monitor No. 667/September 2012).</p> <p><a href="http://www.aippimm.ro/categorie/proponeri_lg/">http://www.aippimm.ro/categorie/proponeri_lg/</a></p>	
T08.2-Self-employment, entrepreneurship and business creation: the existence of a strategic policy framework for inclusive start-up.	Yes	3. measures have been put in place with the objective of reducing the time needed to get licenses and permits to take up and perform the specific activity of an enterprise, taking account of the targets of the SBA;	Yes	<p><a href="http://www.imm.gov.ro/46/Legislatie-IMM">http://www.imm.gov.ro/46/Legislatie-IMM</a></p> <p>A strategic policy framework for inclusive start-up support was put in place by :</p> <ul style="list-style-type: none"> <li>- The Government Emergency Ordinance No. 6/02.02.2011 for stimulating, establishment and development of the microenterprises by the young entrepreneurs (currently in the</li> </ul>	

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>process of modifying and completing).</p> <p>- The National Strategy for Employment 2014-2020 and Action Plan for the period 2014 – 2020, approved by Government Decision No. 1071/11.12.2013, Official Monitor No. 75/30.01.2014</p> <p><a href="http://www.imm.gov.ro/46/Legislatie-IMM">http://www.imm.gov.ro/46/Legislatie-IMM</a></p> <p>- Government Strategy for SME Sector Development and Business Environment Improving 2014 - 2020</p> <p>(In public debate on the site <a href="http://www.imm.gov.ro">www.imm.gov.ro</a>)</p> <p>The Government approved programs budgeted annually, in order to stimulate the creation and development of SMEs, in consultation with organizations representing the interests of small and medium enterprises (see Law no.346/2004, art. 17, 18 and 25).</p> <p>Department for SMEs, Business Environment and Tourism implemented this special programmes (dedicated young people, women entrepreneurs, etc.) (<a href="http://www.aippimm.ro/categorie/programe/">http://www.aippimm.ro/categorie/programe/</a>)</p> <p>In order to improve the access to finance for small and medium enterprises, operates the National Credit Guarantee Fund for</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					SMEs, established by decision of the Government as venture capital institution (based on Law no.346/2004, art. 28).
T08.2-Self-employment, entrepreneurship and business creation: the existence of a strategic policy framework for inclusive start-up.	Yes	4. actions linking suitable business development services and financial services (access to capital), including reaching out to disadvantaged groups, areas, or both, where needed.	Yes	<p>Annually, The Government approved programs in order to stimulate the creation and development of SMEs, in consultation with organizations representing the interests of small and medium enterprises (see Law no.346/2004, art. 17, 18 and 25).</p> <p>In order to improve the access to finance for small and medium enterprises, operates the National Credit Guarantee Fund for SMEs, established by decision of the Government as venture capital institution (based on Law no.346/2004, art. 28).</p> <p>Annually, Department for SMEs, Business Environment and Tourism implemented special programmes dedicated young people and women entrepreneurs (<a href="http://www.apimm.ro/categorie/programe/">http://www.apimm.ro/categorie/programe/</a>)</p> <p>The analysis elaborated within the National Strategy and Action Plan on Social Inclusion and Poverty Reduction and National Strategy Regarding Elderly and Active Ageing will contribute to identify other disadvantaged and underrepresented groups can be included in national dedicated programmes.</p>	
T08.3-Labour market institutions are modernised and strengthened in	No	1. Actions to reform employment services, aiming at providing them with the capacity	No		<p>– Active measures to stimulate employment are foreseen by the Law no.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
the light of the Employment Guidelines; Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex-ante assessment including the gender dimension.		to deliver: personalised services and active and preventive labour market measures at an early stage, which are open to all jobseekers while focusing on people at highest risk of social exclusion, including people from marginalised communities;			<p>76/2002, recently amended by Law no. 250/2013. The objectives to be achieved by the Public Employment Service are foreseen within the annual contract of management performance signed between Ministry of Labour, Family, Social Protection and Elderly and PES. The results of achieving the performance indicators are reported quarterly.</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a></p> <p><a href="http://www.anofm.ro/category/1/4/10">http://www.anofm.ro/category/1/4/10</a> -the stage of implementation of employment programme, the stage of implementation of vocational programme – periodically – all documents</p> <p><a href="http://www.anofm.ro/files/raport%20de%20activ%202012.PDF">http://www.anofm.ro/files/raport%20de%20activ%202012.PDF</a> –2012 Activity report – entire document</p> <p><a href="http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012">http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012</a> - 2012 employment achievements – the entire document with annexes</p> <p><a href="http://www.anofm.ro/category/1/4/14">http://www.anofm.ro/category/1/4/14</a> - job fairs organized nationwide, press releases.</p> <p><a href="http://www.anofm.ro/plan-de-formare-2014">http://www.anofm.ro/plan-de-formare-2014</a> - the entire document with annexes</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Note regarding the degree of achievement of employment programme</p> <p><a href="http://www.anofm.ro/program-ocupare-ian-2014">http://www.anofm.ro/program-ocupare-ian-2014</a> -</p> <p><a href="http://www.anofm.ro/program-ocupare-2013">http://www.anofm.ro/program-ocupare-2013</a> – pages 16-18</p> <p><a href="http://www.anofm.ro/program-ocupare-2012">http://www.anofm.ro/program-ocupare-2012</a></p> <p>Achievements of the training plan</p> <p><a href="http://www.anofm.ro/realizari-plan-formare-2012">http://www.anofm.ro/realizari-plan-formare-2012</a></p> <p><a href="http://www.anofm.ro/realizari-plan-formare-2013">http://www.anofm.ro/realizari-plan-formare-2013</a></p> <p><a href="http://www.anofm.ro/realizari-plan-formare-2014">http://www.anofm.ro/realizari-plan-formare-2014</a></p> <p>– Early intervention measures are available in accordance with the provisions of chapter 4 "Measures for preventing unemployment" of Law. 76/2002 and of Government Decision no. 278/2002 for approving the procedures</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					concerning the access to measures for preventing unemployment, financing means and implementation instructions <a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a> <a href="http://www.mmuncii.ro/pub/inagemanager/images/file/Legislatie/HOTARARI-DE-GUVERN/HG%20nr%20278%20din%202002.doc">http://www.mmuncii.ro/pub/inagemanager/images/file/Legislatie/HOTARARI-DE-GUVERN/HG%20nr%20278%20din%202002.doc</a> <a href="http://www.anofm.ro/contract-performanta-manageriala-2012-2012-Management-Performance-Contract-MLFSPE/NAE">http://www.anofm.ro/contract-performanta-manageriala-2012-2012-Management-Performance-Contract-MLFSPE/NAE</a> – entire document <a href="http://www.anofm.ro/contract-performanta-manageriala-2013-2013-Management-Performance-Contract-MLFSPE/NAE">http://www.anofm.ro/contract-performanta-manageriala-2013-2013-Management-Performance-Contract-MLFSPE/NAE</a> – entire document <a href="http://www.anofm.ro/contract-performanta-manageriala-2014-2014-Management-Performance-Contract-MLFSPE/NAE">http://www.anofm.ro/contract-performanta-manageriala-2014-2014-Management-Performance-Contract-MLFSPE/NAE</a> – entire document
					– – Inclusive service offer, free of

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>charge is provided in accordance with Law no. 76/2002, recently amended by Law no. 250/2013. Thus, the services provided by NEA are free of charge and are provided without any discrimination to all persons registered.</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc,c">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc,c</a></p> <p><a href="http://www.anofm.ro/category/1/4/10">http://www.anofm.ro/category/1/4/10</a> -the stage of implementation of employment programme, the stage of implementation of vocational programme – periodically – all documents</p> <p><a href="http://www.anofm.ro/search/node/RAPORT+DE+ACTIVITATE">http://www.anofm.ro/search/node/RAPORT+DE+ACTIVITATE</a>, - PES Yearly Activity reports – all documents</p> <p><a href="http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012">http://www.anofm.ro/bilantul-de-ocupare-pentru-anul-2012</a>, 2012 employment achievements – the entire document with annexes</p> <p><a href="http://www.anofm.ro/category/1/4/14">http://www.anofm.ro/category/1/4/14</a> - job fairs organized at national level, press releases.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Individual action plan is designed for all persons included in NEA' registers based on the individual mediation plan foreseen in art. 60 of Law no. 76/2002 and in accordance with NEA's President Order no. 85/2002 as amended and supplemented by the Order 281/2004)</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a></p> <p><a href="http://www.anofin.ro/ordinul-nr-852002-%28modif-si-completat-ord-2812004%29">http://www.anofin.ro/ordinul-nr-852002-%28modif-si-completat-ord-2812004%29</a></p> <p>Special measures targeted to disadvantaged people on the labor market are established in the annual employment programs and training plans which are approved by the board of directors and by MoLFSPE</p> <p>Special measures to stimulate employment for people under risk of exclusion are provided in accordance with the provisions of Section 3 "Promoting labor market participation of young people under risk of social marginalization" Law. 76/2002 as amended by Law no. 250/2013)</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_</a></p>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>Legea_76_2002.doc</p> <p>Annual employment programs and training plans, programs targeting people in these communities - 150 program, especially for 150 rural localities, Program 50, targeting 50 urban communities which comprise comprehensive special measures for disadvantaged people on the labor market, approved by the Board of Directors of the NEA and MoLSPE</p> <p><a href="http://www.anofm.ro/files/po/%201%202013%20programeri%20PDF">http://www.anofm.ro/files/po/%201%202013%20programeri%20PDF</a></p> <p>employment program for 2013, page 5, Annexes 9-11, pag. 10-23, Special Programs (Program 150, program 50, 140 special program for communities with Roma population)</p> <p><a href="http://www.anofm.ro/files/Programat%20116%20%20%20%202013.PDF">http://www.anofm.ro/files/Programat%20116%20%20%20%202013.PDF</a></p> <p>- employment program for young people at risk of marginalization for 2013, the entire document</p> <p><a href="http://www.anofm.ro/raportul-de-activitate-al-anofm-pentru-anul-2013">http://www.anofm.ro/raportul-de-activitate-al-anofm-pentru-anul-2013</a> - Activity report for 2013 - the entire document</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T08.3-Labour market institutions are modernised and strengthened in the light of the Employment Guidelines; Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex-ante assessment including the gender dimension.	No	2. Actions to reform employment services, aiming at providing them with the capacity to deliver: comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the labour market.	No		Two of the sub-criteria considered under this criteria are fulfilled, namely: <ul style="list-style-type: none"> <li>National Employment Agency is implementing actions aimed at increasing transnational mobility under an annual plan of activities, part of the EURES network, which is funded by the European Commission. Through EURES portal is provided access to vacancies available in other EU Member States, this service being accessible from the NEA's website. Transferring vacancies to EURES' Mobility Job Portal is already carried out by the NEA, which exports through web-service the jobs from national to European level</li> <li>For the implementation of the EURES tasks, the NEA created and trained a nationwide network of 43 EURES advisers, territorially distributed within each county employment agency, respectively AMOFM Bucharest and NEA. EURES advisers have tasks both to ensure transparency on the vacant jobs as well as on providing information about working and living conditions in each Member State of the European Economic Area. EURES advisers offer three basic EURES services: information, counseling and mediation both to employers and job</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>seekers interested in the European labor market.</p> <p><a href="https://ec.europa.eu/eures/home.jsp?lang=ro">https://ec.europa.eu/eures/home.jsp?lang=ro</a></p> <p><a href="https://ec.europa.eu/eures/main.jsp?catId=3&amp;acro=eures&amp;lang=ro">https://ec.europa.eu/eures/main.jsp?catId=3&amp;acro=eures&amp;lang=ro</a></p> <p>– At NEA's level, there is a system for recording the vacancies notified by employers. Daily offer of job vacancies is visible on the NEA's website.</p> <p><a href="http://www.semm.ro/LMV/home.seam">http://www.semm.ro/LMV/home.seam</a></p> <p>Measures shall be taken in order to have a system for a nationwide collection and analysis of labour market data/labour market intelligence.</p>
T08.3-Labour market institutions are modernised and strengthened in the light of the Employment Guidelines; Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex-ante assessment including the gender dimension.	No	3. Reform of employment services will include the creation of formal or informal cooperation networks with relevant stakeholders.	No		<p>Five of the sub-criteria considered under this criteria are fulfilled, namely:</p> <p>– Employment service providers can provide services only if they are accredited by the NEA and registered in the register of accredited providers of employment services. As necessary, PES is contracting specialized services with the accredited providers in accordance with the Law. Accredited employment service providers have the obligation to communicate monthly to employment</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>agencies under their jurisdiction the number of unemployed who benefitted of mediation services and those employed.</p> <ul style="list-style-type: none"> <li>– There is cooperation with public authorities regarding the granting of other benefits, namely those concerning the minimum guaranteed income, there is an exchange of information between city halls and local PES so that to be able to correctly apply the law 416/2001</li> <li>– Specialized employment services (labour mediation and information and professional counselling) can be contracted from the private providers</li> <li>– PES is providing training courses both through its own centres and also through authorized training providers by the law, based on signed contracts. PES organizes each year job fairs for graduates, in all counties, as specific mediation actions in collaboration with schools, employers and other relevant partners. The PES works with schools, local authorities, providers of employment services, training providers as part of ESF funded projects based on partnership agreements.</li> </ul> <p><a href="http://www.anofm.ro/search/node/burse">http://www.anofm.ro/search/node/burse</a>  <a href="http://www.anofm.ro/protocol-ministerul-educatiei">http://www.anofm.ro/protocol-ministerul-educatiei</a></p> <ul style="list-style-type: none"> <li>– Specific agreements were signed with Ministry of Education (2012)</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					and National Administration of Penitentiaries <a href="http://www.anofm.ro/protocol-penitenciar">http://www.anofm.ro/protocol-penitenciar</a> <a href="http://www.anofm.ro/protocol-ministerul-educatiei">http://www.anofm.ro/protocol-ministerul-educatiei</a>
T08.4-Active and healthy ageing: Active ageing policies are designed in the light of the Employment Guidelines.	No	1. Relevant stakeholders are involved in the design and follow-up of active ageing policies with a view to retaining elderly workers on the labour market and promoting their employment;	No		<p>The elaboration of the National Strategy regarding Elderly and Active Ageing 2014-2020 is an additional measure assumed by the Romanian Government for enhancing the existing policies, aiming at improving the life standards of elderly in Romania.</p> <p>In accordance with the Legal Agreement between the Management Authority for Sectoral Operational Program Human Resources Development (MASOPHRD) and the World Bank, for the elaboration of the National Strategy regarding Elderly and Active Ageing 2014-2020, in the preparation phase of the strategic document: "3. Description of activities, resources and results, Activity 3: Elaboration of the draft National Strategy regarding elderly and active ageing 2014 – 2020. The strategy will be design with a large participation of the relevant stakeholders.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>The Strategy regarding elderly and active ageing will be finalized in 2014.</p> <p>The main milestones from the technical assistance contract between MASOPHRD and World Bank (no. 321 CS/26.02.2014) are the following:</p> <p style="padding-left: 40px;">The first draft of the analysis document</p> <p style="padding-left: 40px;">The first draft of the strategy</p> <p style="padding-left: 40px;">The final draft of the strategy</p> <p>Strategy Progress:</p> <p style="padding-left: 40px;">Working groups have been established with representatives from 7 ministries (Ministry of Labour, Family, Social Protection and Elderly, Ministry of Regional Development and Public Administration, Ministry of Health, Ministry of Transport, Ministry of Education, Ministry of Economy, Ministry of Agriculture and Rural Development).</p> <p style="padding-left: 40px;">The consultations for the elaboration of the Strategy have started, involving WB experts, 5 ministries (Ministry of Regional Development and Public Administration, Ministry of Health, Ministry of Transport, Ministry of Economy – the Department for Small and Medium Enterprises, Ministry of Labour, Family, Social Protection and Elderly), the</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>National Institute for Medical Expertise and Recovery of Working Capacity, one agency subordinated to MoLFSPE (National Agency for Payments and Social Inspection), and 4 MoLFSPE departments (pensions, disability, employment, labour health and safety). The debated themes regard employment, health, education, and social services. Further meetings with WB experts and representative organizations for older persons and other relevant NGOs are being planned.</p> <p>Pension modelling and training workshop completed - the one week-long pension modelling and training workshop with the Ministry of Finance, Ministry of Labour, Family, Social Protection and Elderly, National House for Public Pensions was organized with modelling software and experts provided by the World Bank.</p> <p>the draft documentary analysis report "Living Long, Staying Active and Strong: Promotion of Active Ageing in Romania" was prepared by World Bank;</p> <p>a consultative workshop on the draft report mentioned above took place on 25 June 2015 with a large participation of the representative organizations for older persons, other relevant NGOs, representatives of ministries and World Bank experts.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>* The legislation in the field is published on web-site at:</p> <p><a href="http://www.mmuncii.ro/j33/index.php/ro/legislatie/protectie-sociala/140-organism-representative">http://www.mmuncii.ro/j33/index.php/ro/legislatie/protectie-sociala/140-organism-representative</a></p> <p>* A socio-economic Analysis regarding Demography and Active Ageing for life in dignity elaborated with more than 30 representatives from relevant institutions and NGOs is published on web-site at:</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Familie/MMFPPV%20ANALIZA%20IMBATRANIRE%20ACTIVA.pdf">http://www.mmuncii.ro/j33/images/Documente/Familie/MMFPPV%20ANALIZA%20IMBATRANIRE%20ACTIVA.pdf</a></p> <p>* There are some 2 socio-economic Analysis regarding Inclusion and Social Affairs and Social Economy and Entrepreneurship which are published on the Labour Ministry's web-site, elaborated with a large participation of relevant stakeholders. The analyses contain information on elderly persons. The analysis are posted at the following</p>



Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<p>address:  <a href="http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/2781">http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/2781</a></p> <p>* Permanent relevant stakeholders that are involved in the design and follow-up of active ageing policies are:</p> <ul style="list-style-type: none"> <li>- National Council for Senior Citizens (Law nr.16/2000);</li> <li>- Functioning advisory civic dialogue problems of older people in the prefectures (Government Decision no. 499/2004).</li> </ul>
T08.4-Active and healthy ageing: Active ageing policies are designed in the light of the Employment Guidelines.	2. A Member State has measures in place to promote active ageing.	No		<p>The elaboration of the National Strategy regarding Elderly and Active Ageing 2014-2020 is an additional measure assumed by the Romanian Government for enhancing the existing policies, aiming at improving the life standards of elderly in Romania.</p> <p>An Advisory Services Agreement for drafting the National Strategy on Elderly People and Active Ageing 2014-2020 was signed by the Ministry of Labour, the</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>International Bank for Reconstruction and Development, and the World Bank on 26 February 2014. The contract implementation is on schedule, and the final version of the Strategy and the Action Plan shall be delivered by November 2014.</p> <p>In the field of active ageing the following analysis have been elaborated:</p> <ul style="list-style-type: none"> <li>– regarding the National Strategy for Employment 2014-2020,</li> <li>– for the development of the Partnership Agreement</li> <li>– within the research and development project Strategy to promote employment among older people.</li> </ul> <p>Regarding employment, were identified:</p> <ul style="list-style-type: none"> <li>– causes that generate the need for measures to promote active aging</li> <li>– target group</li> <li>– targeted measures for the older workers and the main stakeholders involved in providing these measures</li> <li>– measures to encouraging employers to hire people over 45 or those who have five years until the conditions for retirement, free evaluation skills acquired in non-formal and informal</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					systems, training etc. <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/2014-01-31_HG_1071din2013.doc">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/2014-01-31_HG_1071din2013.doc</a> <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/2014-01-31_Anexa1_Strategia_de_Ocupare.pdf">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/2014-01-31_Anexa1_Strategia_de_Ocupare.pdf</a> <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/2014-01-31_Anexa_2_Plan_actiuni.pdf">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/2014-01-31_Anexa_2_Plan_actiuni.pdf</a> <a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a>
T08.5-Adaptation of workers, enterprises and entrepreneurs to change: The existence of policies aimed at favouring anticipation and good management of change and restructuring.	Partially	1. Instruments are in place to support social partners and public authorities to develop and monitor proactive approaches towards change and restructuring which include measures: to promote anticipation of change;	No		
T08.5-Adaptation of workers, enterprises and entrepreneurs to change: The existence of policies aimed at favouring anticipation and good management of change and restructuring.	Partially	2. Instruments are in place to support social partners and public authorities to develop and monitor proactive approaches towards change and restructuring which include measures: to promote the preparation and management of the restructuring process.	Yes	For preparation and management of the restructuring process the following measures are in place: – outplacement measures, the EGF supported measures, other measures adapted to the context - ig. GEO 36/2013, possibly other measures supported by employers from their own funds;	

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a> , pag.32-34 <a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/OUG_36_pe_2013.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/OUG_36_pe_2013.doc</a> , pag.1-13 <a href="http://www.feg.anofm.ro/hgr-nr-1086-din-2010/http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.feg.anofm.ro/hgr-nr-1086-din-2010/http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a> <a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/OUG_36_pe_2013.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/OUG_36_pe_2013.doc</a> <a href="http://www.feg.anofm.ro/hgr-nr-1086-din-2010/">http://www.feg.anofm.ro/hgr-nr-1086-din-2010/</a> – vocational training, free assessment of the skills obtained in non-formal and informal system, mobility bonuses, consultancy and assistance for starting an independent activity and a development of new business, incentives for employers, minimis aid schemes for the development and modernization of enterprises, EGF supported measures etc. <a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a> , pag.38-46 <a href="http://discutii.mfinante.ro/static/10/Mfp/ajutordestat/hg1164_2007.pdf">http://discutii.mfinante.ro/static/10/Mfp/ajutordestat/hg1164_2007.pdf</a> <a href="http://www.feg.anofm.ro/hgr-nr-1086-din-2010/">http://www.feg.anofm.ro/hgr-nr-1086-din-2010/</a> <a href="http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc">http://www.mmuncii.ro/j33/images/Documente/Legislatie/Munca_Legislatie/2013_Legea_76_2002.doc</a> <a href="http://discutii.mfinante.ro/static/10/Mfp/ajutordestat/hg1164_2007.pdf">http://discutii.mfinante.ro/static/10/Mfp/ajutordestat/hg1164_2007.pdf</a> <a href="http://www.feg.anofm.ro/hgr-nr-1086-din-2010/">http://www.feg.anofm.ro/hgr-nr-1086-din-2010/</a>	

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<ul style="list-style-type: none"> <li>measures supported by regional pacts, other measures and structural and cohesion tools accessed through specific schemes).</li> <li><a href="http://pacteregionale.files.wordpress.com/2012/10/protocol-de-reprezentare-comuna-a-pactelor.pdf">http://pacteregionale.files.wordpress.com/2012/10/protocol-de-reprezentare-comuna-a-pactelor.pdf</a></li> <li><a href="http://www.stpsudmuntentia.ro/docs/Scrisoare_de_intentie_CCN_PROIS.pdf">http://www.stpsudmuntentia.ro/docs/Scrisoare_de_intentie_CCN_PROIS.pdf</a></li> </ul>	
T09 1-The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	No	1. A national strategic policy framework for poverty reduction, aiming at active inclusion, is in place that:	No		<p>The elaboration of the National Strategy regarding Social inclusion and poverty reduction 2014-2020 is an additional measure assumed by the Romanian Government for promoting social inclusion and combating poverty and enhancing the existing policies, aiming at lift at least 580,000 persons out of relative income poverty by 2020 in Romania.</p> <p>National Strategy regarding Social Inclusion and Poverty Reduction 2014-2020 will be drafted with technical assistance (World Bank).</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T09.1-The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	No	2. provides a sufficient evidence base to develop policies for poverty reduction and monitor developments;	No		<p>The elaboration of the National Strategy regarding Social inclusion and poverty reduction 2014-2020 is an additional measure assumed by the Romanian Government for promoting social inclusion and combating poverty and enhancing the existing policies, aiming at lift at least 580,000 persons out of relative income poverty by 2020 in Romania.</p> <p>The national strategic policy framework for poverty reduction is implemented by specific laws, such as:</p> <ul style="list-style-type: none"> <li>- July 2001, Law no.416/2001 regarding guaranteed minimum income (GMI);</li> <li>- Law no. 116/2002 for preventing and combating social marginalisation</li> <li>- Law no. 76/2002 on unemployment benefit system and stimulating employment</li> <li>- September 2011, Government Emergency Ordinance (GEO) no.70/2011 regarding the social protection measures during the cold season – heating benefits (HB);</li> <li>- December 2010, Law</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>no.277/2010 regarding the family allowance (FA) – for families with children;</p> <ul style="list-style-type: none"> <li>- September 1993, Law no.61/2003 regarding the child state allowance (CSA);</li> <li>- December 2010, Government Emergency Ordinance no.111/2010 regarding the child raising benefits (CRB) and the insertion benefit; the legislative act also regulates the social benefits for people/children with disabilities;</li> <li>- June 2004, Law no.272/2004 regarding the protection and promotion of child's rights which regulates the allowance for children in foster care;</li> </ul> <p>National Strategy regarding Social Inclusion and Poverty Reduction 2014-2020 will be drafted with technical assistance (World Bank).</p> <p>The strategy will have also a comprehensive operational action plan, including a monitoring mechanism, with indicators.</p> <p>The output of the strategy will be the following:</p> <ol style="list-style-type: none"> <li>The Draft Strategic Vision on Social Inclusion and Poverty Reduction</li> </ol>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>for 2014-2020</p> <p>b. The Draft Strategy on Social Inclusion and Poverty Reduction for 2014-2020</p> <p>c. The Draft Action Plan for the 2014-2020 period</p> <p>According to the deadlines from the technical assistance contract between MASOPHRD and World Bank (no. 325 CS/26.02.2014), the final draft strategy, action plan and implementation plan will be delivered by March 2015</p> <p>Different analysis were performed in this field:</p> <ul style="list-style-type: none"> <li>- A socio-economic analysis regarding social affairs and social inclusion was elaborated with the support of different stakeholders from the public, private and NGO sector (above 0 stakeholders involved),</li> </ul> <p><a href="http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%20ANALIZA%20A FACERI%20SOCIALE%20SI%20INCLUZIUNE%20SOCIALA.pdf">http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%20ANALIZA%20A FACERI%20SOCIALE%20SI%20INCLUZIUNE%20SOCIALA.pdf</a></p> <ul style="list-style-type: none"> <li>- A socio-economic analysis</li> </ul>



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>regarding entrepreneurship and social economy was elaborated with the support of different stakeholders from the public, private and NGO sector (above 40 stakeholders involved).</p> <p><a href="http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%20ANALIZA%20ANTREPRENORIAT%20SI%20ECONOMIE%20SOCIALA.pdf">http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%20ANALIZA%20ANTREPRENORIAT%20SI%20ECONOMIE%20SOCIALA.pdf</a></p> <ul style="list-style-type: none"> <li>- National Report on Social Inclusion Indicators 2012</li> <li><a href="http://www.mmuncii.ro/j3/images/Documente/Familie/DGAS/28-08-2013Set_indic2012.pdf">http://www.mmuncii.ro/j3/images/Documente/Familie/DGAS/28-08-2013Set_indic2012.pdf</a></li> <li>- National Institute of Statistics</li> <li>-</li> <li>- National Prognosis</li> <li>- Commission data –prognosis regarding relative poverty and the rate of poverty and social exclusion until 2020, according EUSILC methodology</li> <li>-</li> <li>- National Reform Program</li> <li><a href="http://www.mae.ro/sites/default/files/file">http://www.mae.ro/sites/default/files/file</a></li> <li>- <a href="#">/Europa2021/PNR_2011_2013.</a></li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>pdf</p> <ul style="list-style-type: none"> <li>- The analysis documents on the current situation regarding the poverty and social inclusion will be undertaken in the process of elaboration of the National Strategy regarding the promotion of social inclusion and combating poverty 2014 – 2020 with the World Bank.</li> <li>- Reports on social inclusion: <a href="http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/725-raportari-privind-incluziunea-sociala">http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/725-raportari-privind-incluziunea-sociala</a></li> <li>- Statistical data available at: <a href="http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/755-incluziune-sociala-date-statistice">http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/755-incluziune-sociala-date-statistice</a></li> <li>- The results of the research and development projects: “Models to restructure the social benefits systems and to evaluate the impact on poverty reduction and income distribution” and “Efficiency and effectiveness of the social benefits system in Romania in order to</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					improve and modernize through the micro simulation model" that are part of the Research and Development Plan for 2013 – 2015, approved through the Order of the minister of labour, family, social protection and elderly no. 3808/28.12.2012
T09.1-The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	No	3. contains measures supporting the achievement of the national poverty and social exclusion target (as defined in the National Reform Programme), which includes the promotion of sustainable and quality employment opportunities for people at the highest risk of social exclusion, including people from marginalised communities;	No		<p>The National Strategy regarding the Promotion of Social Inclusion and Combating Poverty 2014-2020 will include measures supporting the achievement of the national poverty and exclusion target (as defined in the NRP) and will cover following sections:</p> <ul style="list-style-type: none"> <li>- employment and labour market policies (including measures which foster the social economy sector),</li> <li>- social protection (social assistance benefits, social services, pensions),</li> <li>- protection of poor households against energy tariff increases,</li> <li>- education, health, and housing conditions,</li> <li>- rural poverty, and 6. regional dimensions of poverty and social inclusion</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					The Social inclusion and poverty reduction strategy is a horizontal strategy, intersecting various sector strategies, and represents one of key strategies for the achievement of Europe 2020 targets.
T09.1-The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	No	4. involves relevant stakeholders in combating poverty;	No		In the process of drafting the National Strategy regarding the promotion of social inclusion and combating poverty 2014-2020 are already involved relevant stakeholders.  Legislative acts in the field of social inclusion and combating poverty drafted by the MoLFSPE are presented for public consultation (this provision is stipulated by law).  The social-economic analysis on social inclusion and social economy were elaborated with the contribution of over 100 relevant actors, respectively 40 relevant actors
T09.1-The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the	No	5. depending on the identified needs, includes measures for the shift from institutional to community based care;	No		- The Social inclusion and poverty reduction strategy is a horizontal strategy, intersecting various sector strategies, and represents one of key



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<a href="http://index.php/ro/transparenta/proiecte-in-dezbatere/3191-2014-02-12-strategie-dppd">index.php/ro/transparenta/proiecte-in-dezbatere/3191-2014-02-12-strategie-dppd</a> Measures for raising and child care by a professional caregiver; care of the disabled person by the attendants, respite centre, crisis centre, and training centres for independent living. The general interest services market is regulated and provides services at community level: PES, public social services, school-after-school and second chance programmes, education and training, social and health services, social housing programme.
T09.1-The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	No	6. Upon request and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects.	No		
T09.2-A national Roma inclusion strategic policy framework is in place.	Partially	1. A national Roma inclusion strategic policy framework is in place that:	Yes	“The Strategy of the Government of Romania for the Inclusion of the Romanian Citizens belonging to Roma Minority” for the period 2012-2020” was endorsed by G.D. no. 1221/2011.	

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<a href="http://www.anr.gov.ro/docs/MO6bis.pdf">http://www.anr.gov.ro/docs/MO6bis.pdf</a> <a href="http://www.anr.gov.ro/docs/Strategie_EN.pdf">http://www.anr.gov.ro/docs/Strategie_EN.pdf</a>	
T09.2-A national Roma inclusion strategic policy framework is in place.	Partially	2. sets achievable national goals for Roma integration to bridge the gap with the general population. These targets should address the four EU Roma integration goals relating to access to education, employment, healthcare and housing;	Yes	One of the strategy's objectives targets the fields of education, employment, health, housing, cultural identity, community development, child protection, justice and public order (chapter V – “Scope and objectives of the Government Strategy” <a href="http://www.anr.gov.ro/docs/Strategie_EN.pdf">http://www.anr.gov.ro/docs/Strategie_EN.pdf</a>	
T09.2-A national Roma inclusion strategic policy framework is in place.	Partially	3. identifies where relevant those disadvantaged micro-regions or segregated neighbourhoods, where communities are most deprived, using already available socio-economic and territorial indicators (i.e. very low educational level, long-term unemployment, etc);	No		
T09.2-A national Roma inclusion strategic policy framework is in place.	Partially	4. includes strong monitoring methods to evaluate the impact of Roma integration actions and a review mechanism for the adaptation of the strategy;	No		
T09.2-A national Roma inclusion strategic policy framework is in place.	Partially	5. is designed, implemented and monitored in close cooperation and continuous dialogue with Roma civil society, regional and local	Yes	The Strategy provides the civil society and local and regional authorities' involvement (joint working groups, local initiative groups, local working groups, County Offices for Roma etc.) for implementing and monitoring	

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
		authorities.		the strategy (chapter XII) <a href="http://www.anr.gov.ro/docs/MO6bis.pdf">http://www.anr.gov.ro/docs/MO6bis.pdf</a>	
T09.2-A national Roma inclusion strategic policy framework is in place.	Partially	6. Upon request and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects.	No		
T09.3-Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	No	1. A national or regional strategic policy framework for health is in place that contains:	No		A draft of the Strategy is available on the website of the Ministry of Health.
T09.3-Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	No	2. coordinated measures to improve access to health services;	No		
T09.3-Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	No	3. measures to stimulate efficiency in the health sector, through deployment of service delivery models and infrastructure;	No		



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T09.3-Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	No	4. a monitoring and review system.	No		
T09.3-Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	No	5. A Member State or region has adopted a framework outlining available budgetary resources on an indicative basis and a cost-effective concentration of resources on prioritised needs for health care.	No		
T10.1-Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	No	1. A system for collecting and analysing data and information on ESL at relevant levels is in place that:	No		
T10.1-Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	No	2. provides a sufficient evidence-base to develop targeted policies and monitors developments.	No		
T10.1-Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of	No	3. A strategic policy framework on ESL is in place that:	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
Article 165 TFEU.					
T10.1-Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	No	4. is based on evidence;	No		
T10.1-Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	No	5. covers relevant educational sectors including early childhood development, targets in particular vulnerable groups that are most at risk of ESL including people from marginalised communities, and addresses prevention, intervention and compensation measures;	No		
T10.1-Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	No	6. involves all policy sectors and stakeholders that are relevant to addressing ESL.	No		
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165	No	7. encourage the development of "transversal skills", including entrepreneurship in relevant higher education programmes;	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
TFEU.					
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	No	8. reduce gender differences in terms of academic and vocational choices.	No		
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	No	1. A national or regional strategic policy framework for tertiary education is in place with the following elements:	No		
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	No	2. where necessary, measures to increase participation and attainment that:	No		
T10.2-Higher education: the existence of a national or regional strategic policy framework for	No	3. increase higher education participation among low income groups and other under-represented groups with special regard to	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.		disadvantaged people, including people from marginalised communities;			
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	No	4. reduce drop-out rates/improve completion rates;	No		
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	No	5. encourage innovative content and programme design;	No		
T10.2-Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	No	6. measures to increase employability and entrepreneurship that:	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	No	1. A strategic policy framework for reinforcing a Member State's public authorities' administrative efficiency and their skills with the following elements are in place and in the process of being implemented:	No		
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	No	2. an analysis and strategic planning of legal, organisational and/or procedural reform actions;	No		
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	No	3. the development of quality management systems;	No		
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	No	4. integrated actions for simplification and rationalisation of administrative procedures;	No		
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public	No	5. the development and implementation of human resources strategies and policies covering the main gaps identified in this	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
administration.		field;			
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	No	6. the development of skills at all levels of the professional hierarchy within public authorities;	No		
T11.1-The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	No	7. the development of procedures and tools for monitoring and evaluation.	No		
T04.3-Actions have been carried out to promote the production and distribution of renewable energy sources.	Yes	1. Transparent support schemes, priority in grid access or guaranteed access and priority in dispatching, as well as standard rules relating to the bearing and sharing of costs of technical adaptations which have been made public are in place consistent with Article 14(1), Article 16(2) and 16(3) of Directive 2009/28/EC of the European Parliament and of the Council.	Yes	<p>The site of the National Authority for Energy Regulation contain informations about the promotion system, green certificates market, origin guarantees, regulation framework (<a href="http://www.anre.ro/informatii.php?id=388">http://www.anre.ro/informatii.php?id=388</a>.)</p> <p>Law no. 220/2008 for establishing a promotion system of energy production from renewable energy sources, with subsequent amendments and supplements.</p> <p>GD no. 90/2008 approving the Regulation on connecting users to public electricity networks</p> <p><a href="http://www.anre.ro/documente.php?id=332">http://www.anre.ro/documente.php?id=332</a></p>	<p>Transmission system operators and distribution system operators guarantee the transmission and distribution of electricity produced from RES with priority access.</p> <p>In terms of green certificates, Law no.220/2008 on establishing the promotion system of energy production from renewable energy sources has undergone two major changes:</p> <ul style="list-style-type: none"> <li>- GEO57/2013 amending and supplementing Law no. 220/2008 on establishing the promotion system for the production of energy from renewable energy (temporarily postpone the granting</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partial <sup>y</sup>	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>of a number of green certificates);</p> <ul style="list-style-type: none"> <li>- GD 994/2013 approving measures to reduce the number of green certificates in cases provided in art. (2) lit. c) and f) of Law no. 220/2008 on establishing the promotion system of energy production from renewable energy sources.</li> </ul> <p>The modifications refers, among other things, to:</p> <ul style="list-style-type: none"> <li>- Limiting accreditation power/electrical group promoting the application of the green certificates in order to achieve the total annual installed capacity of power plants generating electricity from renewable sources as constituted in the National Renewable Energy Action (PNAER) in correlation with the objective assumed by Romania in 2020 the share of energy produced from renewable energy sources in final energy consumption.</li> <li>- Temporary reprieve starting to 01/07/2013 granting a number of green certificates for each 1 MWh of new hydro power plants with installed power ≤ 10 MW (1 green certificate), wind power (one green certificate) and solar power plants (two green certificates) correlated with the trends observed in the first analysis of the monitoring scheme, recovery of green certificates will be open from 01/01/2017</li> </ul>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					to new hydro power plants with hydroelectric new installed power $\leq 10$ MW solar and from to 01/01/2018 for wind power. - Semestrial monitoring of investment by ANRE, which would allow the application to give overcompensation adjustment mechanism 1/10/2013, also applying the adjustment mechanism of overcompensation will be prior to January 1, 2014, ie January 1, 2015, data as existing legislation. According to art. 8 Law no. 220/2008, with subsequent amendments, state aid measures for large industrial consumers will be granted under the Government Decision after they will be approved by COM (notification of state aid procedure).
T04.3-Actions have been carried out to promote the production and distribution of renewable energy sources.	Yes	2. A Member State has adopted a national renewable energy action plan consistent with Article 4 of Directive 2009/28/EC.	Yes	National Action Plan on Renewable Energy <a href="http://www.minind.ro/energie/PNAER_final.pdf">http://www.minind.ro/energie/PNAER_final.pdf</a> The plan follows the template provided by the European Commission (see in the Annex of Decision 2009/548/EC).	
T07.3-Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport	No	1. The existence of a section on inland-waterways and maritime transport, ports, multimodal links and airport infrastructure within the transport plan or plans or	No		



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.		framework or frameworks which:			
T07.3-Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.	No	2. complies with legal requirements for strategic environmental assessment;	No		
T07.3-Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport	No	3. sets out a realistic and mature project pipeline (including a timetable and budgetary framework);	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.					
T07.3-Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.	No	4. Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	No		
T08.6-YEI: The existence of a strategic policy framework for promoting youth employment including through the	Partially	1. A strategic policy framework for promoting youth employment is in place that:	No		Youth Guarantee Implementation Plans 2014-2015 <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/Pl-garantia-pt-mente/">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/Pl-garantia-pt-mente/</a>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
implementation of the Youth Guarantee.					tineret2014-2015.pdf
T08.6-YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	Partially	2. is based on evidence that measures the results for young people not in employment, education or training and that represents a base to develop targeted policies and monitor developments;	No		Youth Guarantee Implementation Plans 2014-2015 <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf</a>
T08.6-YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	Partially	3. identifies the relevant public authority in charge of managing youth employment measures and coordinating partnerships across all levels and sectors;	Yes	Youth Guarantee Implementation Plans 2014-2015 <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf</a>	
T08.6-YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	Partially	4. involves stakeholders that are relevant for addressing youth unemployment;	No		Youth Guarantee Implementation Plans 2014-2015 <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf</a>
T08.6-YEI: The existence of a strategic policy framework for	Partially	5. allows early intervention and activation;	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
promoting youth employment including through the implementation of the Youth Guarantee.					
T08.6-YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	Partially	6. comprises supportive measures for access to employment, enhancing skills, labour mobility and sustainable integration of young people not in employment, education or training into the labour market.	Yes	Youth Guarantee Implementation Plans 2014-2015 <a href="http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf">http://www.mmuncii.ro/j33/images/Documente/Munca/2014-DOES/PI-garantia-pt-tineret2014-2015.pdf</a>	
T10.4-The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU.	No	1. A national or regional strategic policy framework is in place for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU which includes measures for the following:	No		
T10.4-The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU.	No	2. to improve the labour market relevance of VET systems in close cooperation with relevant stakeholders including through mechanisms for skills anticipation, adaptation of curricula and the strengthening of work-based learning provision in its different forms;	No		
T10.4-The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within	No	3. to increase the quality and attractiveness of VET including through establishing a national approach for quality assurance for VET (for example in line with the, European	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
the limits of Article 165 TFEU.		Quality Assurance Reference Framework for Vocational Education and Training) and implementing the transparency and recognition tools, for example European Credit system for Vocational Education and Training. (ECVET).			
T10.3-Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	No	1. A national or regional strategic policy framework for lifelong learning is in place that contains measures:	No		
T10.3-Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	No	2. to support the developing and linking services for LL, including their implementation and skills upgrading (i.e. validation, guidance, education and training) and providing for the involvement of, and partnership with relevant stakeholders ;	No		
T10.3-Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	No	3. for the provision of skills development for various target groups where these are identified as priorities in national or regional strategic policy frameworks (for example young people in vocational training, adults, parents returning to the labour market, low skilled and older workers, migrants and other disadvantaged groups, in particular people with disabilities);	No		

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T10.3-Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	No	4. to widen access to LL including through efforts to effectively implement transparency tools (for example the European Qualifications Framework, National Training, European Quality Assurance in Vocational Education and Training);	No		
T10.3-Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	No	5. to improve the labour market relevance of education and training and to adapt it to the needs of identified target groups (for example young people in vocational training, adults, parents returning to the labour market, low-skilled and older workers, migrants and other disadvantaged groups, in particular people with disabilities).	No		
T07.4-Development of smart energy distribution, storage and transmission systems.	Partially	1. Comprehensive plans describing the national energy infrastructure priorities are in place that are:	No		For electricity infrastructure: The Perspective Plan RET 2010-2014 and guidance for 2019 <a href="http://www.transselectrica.ro/plan-perspectiva">http://www.transselectrica.ro/plan-perspectiva</a> .  For gas infrastructure: The 10 years plan is being developed according to art. 128(e) from Law for electric energy and natural gas no. 123/2012 and it will be approved by the NAER after public consultation.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
T07.4-Development of smart energy distribution, storage and transmission systems.	Partially	2. in accordance with Article 22 of Directive 2009/72/EC and of Directive 2009/73/EC, where applicable, and	Yes	Art. 34 (1) and art.35 and art. 125 (6) from Law no. 123/2012 for electricity and natural gas, ( <a href="http://www.minind.ro/energie/New_Energy_Law_Official_Gazette.pdf">http://www.minind.ro/energie/New_Energy_Law_Official_Gazette.pdf</a> )	According to these provisions the transport and system operators (for electricity and for natural gas) have the obligation to develop a plan for network transport for 10 years, approved by the competent authority (NAER).  The model of the separation of the activities chosen by the Romanian authorities is "the independent system operator" (ISO Model) (art. 13 (2) lit. c ) Dir. 2009/72/EC and art. 14 (2) lit. c) Dir. 2009/73/EC)
T07.4-Development of smart energy distribution, storage and transmission systems.	Partially	3. consistent with the relevant regional investment plans under Article 12 and with the Union-wide ten-year network development plan in accordance with point (b) of Article 8(3) of Regulation (EC) No 714/2009 of the European Parliament and of the Council and with Regulation (EC) No 715/2009 of the European Parliament and of the Council, and	Yes	Art. 30 from Law no. 123/2012 for electricity and natural gas  Both TSOs – Transelectrica and Transgaz – are members of ENTSO-E and ENTSO-G, participating to the development of regional and ten-years development plans. So the criteria established by art. 8(3) from Regulation no. 2009/714/EC. And regulation no. 2009/715/EC regarding ENTSO for the elaboration of Ten Year Network Development Plan are fulfilled.  NAER Order no. 53/2013 (Methodology for establishing tariffs for electricity transmission service, section 9).	The criteria used to identify the national energy infrastructure priorities are in the NAER Order no. 53/2013 (Methodology for establishing tariffs for electricity transmission service)
T07.4-Development of smart energy distribution, storage and	Partially	4. compatible with Article 3(4) of Regulation (EU) No 347/2013 of the	Yes	There was applied the criteria established by Regulation no. 2013/347/EC.	On 14 October 2013, the European Commission has adopted a list of 248 key energy infrastructure projects.

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
transmission systems.		European Parliament and of the Council;			( <a href="http://ec.europa.eu/energy/infrastructure/p ci/doc/2013_pci_projects_country.pdf">http://ec.europa.eu/energy/infrastructure/p ci/doc/2013_pci_projects_country.pdf</a> ). The PCI projects proposed by Transselectrica and Transgaz are found in the Perspective Developments Plans.
T07.4-Development of smart energy distribution, storage and transmission systems.	Partially	5. Those plans shall contain: a realistic and mature project pipeline for projects for which support from the ERDF is envisaged;	No		
T07.4-Development of smart energy distribution, storage and transmission systems.	Partially	6. Those plans shall contain: measures to achieve the objectives of social and economic cohesion and environmental protection, in line with Article 3(10) of Directive 2009/72/EC and Article 3(7) of Directive 2009/73/EC;	Yes	Development plans include the financing and achievement of investments on transmission networks, taking into account the plans and systematize the territory traversed by them, in compliance with environmental regulations.  Feasibility studies of projects in the perspective plan include measures to protect the environment by ensuring compliance with the legislation in force, and increase transport efficiency by reducing power losses.	
T07.4-Development of smart energy distribution, storage and transmission systems.	Partially	7. Those plans shall contain: measures to optimise the use of energy and promote energy efficiency, in line with Article 3(11) of Directive 2009/72/EC and Article 3(8) of Directive 2009/73/EC.	Yes	Methodology for establishing the tariffs for electricity transmission, approved by NAER Order no.53/2013, establishes the way of determining the income and the calculation of tariffs for electricity transmission.  Transmission service charge is determined by using a revenue cap methodology.  The same type of incentive regulation is applied to determine the transmission tariffs for natural gas networks	Transmission and distribution tariffs are non-discriminatory and reflects the justified costs of the operators, taking into account the marginal, avoided network costs on long term as a result of distributed generation and demand management measures.  NAER assessed the implementation of intelligent metering systems and concluded that the implementation of intelligent metering systems is feasible for



Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
				<p>.</p> <p>Licenses to be established and licenses is required to conduct their activities in compliance with public service obligations (art. 16, par. (1) of the Law no. 123/2012).</p> <p>Regulated prices and tariffs proposals are developed by operators with respect methodologies issued by the competent authority and notified authorities with substantiation in the format prescribed by it.</p> <p>Methodologies of transmission and distribution tariffs must contain elements for short and long term incentives to increase energy efficiency, security of supply, harmonious integration in the market and supporting the work related to research scope (art. 79, (4), letter f and g).</p>	<p>the electricity sector.</p> <p>NAER issued the Order no. 91/2013 regarding the implementation of the electricity smart meters, published in the Official Gazette no. 801/18.12.2013. The order identifies the required functionality of smart meters and requires to the distribution operators to implement pilot projects. (art. 66 and 159 of Law no 123/2012).</p>
T05.2-Good Agricultural and Environmental Conditions (GAEC): standards for good agricultural and environmental condition of land referred to in Chapter I of Title VI of Regulation (EU) No 1306/2013 are established at national level	Yes	1. GAEC standards are defined in national law and specified in the programmes;	Yes	<p><a href="http://www.apdrp.ro/uploads/Docu%20LEGISLATIE/Ordin_147_din_16_febr_2010.pdf">http://www.apdrp.ro/uploads/Docu%20LEGISLATIE/Ordin_147_din_16_febr_2010.pdf</a></p> <p><a href="http://www.lege-online.ro/lr-ORDIN-36-2012-(135684).html">http://www.lege-online.ro/lr-ORDIN-36-2012-(135684).html</a></p>	<p>GAEC standards are defined in Romania since 2007 by the Common Order no. 791/1.381/2006 of the Minister of Agriculture, Forestry and Rural Development and Minister of Environment and Water Management for defining the Good Agricultural and Environmental Conditions in Romania and Common Order no 15/56/2008 of the Minister of Agriculture and Rural Development and the Minister of Environment and Sustainable Development for setting up the measures regarding the Good Agricultural and Environmental Conditions in Romania.</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>The normative acts mentioned above implement the Regulation nr. 1782/2003 of the Council establishing common rules for direct support schemes under the CAP (in terms of good agricultural and environmental conditions).</p> <p>The provisions of Regulation no. 73/2009 were transposed by Common Order no. 30/147/2010 of the Minister of Agriculture and Rural Development and Minister of Environment and Forestry approving the GAEC in Romania, as last amended. The last modification was introduced by Common Order no. 36/888/2012 of the Minister of Agriculture and Rural Development and Minister of Environment and Forestry for introducing a new mandatory standard GAEC 12.</p> <p>As regards the legislative framework related to GAEC for the 2014-2020 programming period, as 2014 is a transitional year to the new CAP, Romania will take the necessary actions in order to comply with the new baseline conditions under the CAP reform in force starting with 2105. In this respect, after the approval of the implementing and delegated acts at the level of the UE, Romania will update the legislative framework in order to comply with the</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					new rules for 2015. In this respect, for the compliance to this commitment, the following steps are planned: - the set-up of a working group with representatives of the two ministries and different departments involved; - a review of the GAEC modifications at EU level; - the amendment of the national rules approving the GAEC, if modifications are identified at the community level.
T06.3-Minimum requirements for fertilisers and plant protection products: minimum requirements for fertilisers and plant protection products referred to in Article 28 of Chapter I of Title III of Regulation (EU) No 1305/2013 are defined at national level	Yes	1. minimum requirements for fertilisers and plant protection products referred to in Chapter I of Title III of Regulation (EU) 1305/2013 are specified in the programmes;	Yes	<a href="http://www.icpa.ro/Coduri/cbpaRO.pdf">http://www.icpa.ro/Coduri/cbpaRO.pdf</a> <a href="http://www.madr.ro/docs/agricultura/fond-funciar/program-de-actiune-pentru-nitrati-2013.pdf">http://www.madr.ro/docs/agricultura/fond-funciar/program-de-actiune-pentru-nitrati-2013.pdf</a> <a href="http://old.madr.ro/pages/legislatie/ordonanta-41-2007.pdf">http://old.madr.ro/pages/legislatie/ordonanta-41-2007.pdf</a> <a href="http://old.madr.ro/pages/legislatie/ordonanta-4-1995.pdf">http://old.madr.ro/pages/legislatie/ordonanta-4-1995.pdf</a> <a href="http://old.madr.ro/pages/legislatie/hotarare-1559-2004.pdf">http://old.madr.ro/pages/legislatie/hotarare-1559-2004.pdf</a> <a href="http://old.madr.ro/pages/legislatie/REGULAMENT_1107_2009.pdf">http://old.madr.ro/pages/legislatie/REGULAMENT_1107_2009.pdf</a>	The Code of Good Agricultural Practice for the protection of waters against pollution caused by nitrates from agricultural sources, approved by common Order no. 1182/1270/2005 of Minister of Environment and Water Management and Minister of Agriculture, Forestry and Rural Development is currently under modification in order to comply with the Action Programme for the protection of waters against pollution caused by nitrates from agricultural sources approved by Decision no. 221.983/GC/ 12.06.2013 of the Commission for the implementation of the Action Plan for the protection of waters against pollution caused by nitrates from agricultural sources, under article 6

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>paragraph 1 of GD no. 964/2000.</p> <p>Minimum requirements for plant protection products use are:</p> <p>1) using products classified as very toxic ( T + ) , toxic ( T ) is done in accordance with art. 7 paragraph ( 1 ) of the GO no. 41/2007 for the marketing of plant protection products and amending and repealing certain phytosanitary legislation;</p> <p>2) the use of plant protection products in accordance with:</p> <ul style="list-style-type: none"> <li>- art. 2 of GD no. 1559/2004 on the procedure for approval of plant protection products for placing on the market and their use in Romania, with subsequent amendments</li> <li>- art. 19 of GO no. 4/1995 on the manufacture, marketing and use of plant protection against diseases, pests and weeds in agriculture and forestry</li> <li>- art. 28 and 55 (first and second sentence) of the Regulation No 1107/2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC</li> </ul> <p>3) prohibition of treatments with</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					plant protection products in specific areas of protection by the competent authorities, according to Art. 27, paragraph (1), letter e) of GO. 4/1995 on the manufacture, marketing and use of plant protection against diseases, pests and weeds in agriculture and forestry.
T06.4-Other relevant national standards: relevant mandatory national standards are defined for the purpose of Article 28 of Chapter I of Title III of Regulation (EU) No 1305/2013	Yes	1. relevant mandatory national standards are specified in the programmes;	Yes	<a href="http://www.cdep.ro/pls/legis/legis_pck.htm_act?id=10597">http://www.cdep.ro/pls/legis/legis_pck.htm_act?id=10597</a> <a href="http://lege5.ro/Gratuit/gm3tenrvha/ordinul-nr-496-1632-65-2013-privind-modificarea-ordinului-ministrului-agriculturii-si-dezvoltarii-rurale-al-ministrului-mediului-si-padurilor-si-al-presedintelui-autoritatii-nationale-sanitare-veterin">http://lege5.ro/Gratuit/gm3tenrvha/ordinul-nr-496-1632-65-2013-privind-modificarea-ordinului-ministrului-agriculturii-si-dezvoltarii-rurale-al-ministrului-mediului-si-padurilor-si-al-presedintelui-autoritatii-nationale-sanitare-veterin</a>	<p>Article 51, paragraph 3 of Regulation 1.698/2005 concerning rural development provides deadlines for application of the statutory management requirements (SMR) for Romania. Thus, Romania started implementing SMR from 2012 promoting Order no. 187/2.155/42/2011 of Ministry of Agriculture and Rural Development, Ministry of Environment and Forestry and National Sanitary Veterinary and Food Safety Authority approving the statutory management requirements (SMR) for environment and identification and registration of animals in the schemes and measures for farmers in Romania, as amended. In 2013, this order was amended by Common Order no. 496/1.632/65/2013 of MARD/MECC/NSVFS in order to review certain mandatory requirements and/or control elements for SMR 1- SMR 8. In April 2014 it was amended by Common Order no. 234/362/52/2014 by introducing SMR 9-15.</p> <p>Romania will implement, in stages, all</p>

Applicable ex-ante conditionality at national level	Applicable ex-ante conditionality fulfilled: Yes/No/Partially	Criteria	Criteria fulfilled (Yes/No)	Reference (if fulfilled)(reference to the strategies, legal acts or other relevant documents incl. references to relevant sections, articles or paragraphs, accompanied by a hyperlink or other access to the full text)	Explanation
					<p>SMRs until 1 January 2016, the deadline set up for implementation of the EU Legislation regarding SMR in Romania. In this context, keeping in mind the provisions of the CAP post-2013 regulations, as 2014 is a transitional year to the new CAP, Romania will take the necessary actions in order to comply with the new baseline conditions under the CAP reform in force starting with 2015. In this respect, for the compliance to this commitment, the relevant national legislation will be updated to the new requirements. The relevant national legislation will be updated to ensure compliance with these requirements. In this respect, the following steps are planned:</p> <ul style="list-style-type: none"> <li>- the set-up of a working group with representatives of the different ministries and departments involved;</li> <li>- a review of the SMR modifications at EU level within the CAP post 2013;</li> <li>- the amendment of the national rules approving the SMR, if modifications are identified at Community level as well as the introduction of the SMRs for which Romania benefits of transition periods.</li> </ul>

(ii) Table: For the applicable general and thematic/fund specific ex-ante conditionalities at national level for which national bodies are responsible and which are completely or partially unfulfilled, indication of the bodies responsible for their fulfilment, the actions to be taken at national level to fulfil these ex-ante conditionalities, and the timeframe for the implementation of such actions (tables).

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
G1. The existence of administrative capacity for the implementation and application of Union anti-discrimination law and policy in the field of ESI Funds.	1. Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for the promotion of equal treatment of all persons throughout the preparation and implementation of programmes, including the provision of advice on equality in ESI fund related activities.	<ul style="list-style-type: none"> <li>– A Framework Document will be elaborated to consult with and involve bodies in charge of anti-discrimination</li> <li>– Designing a questionnaire within the framework document that will be applied to each applicant's guide and will assign a score in the cases where the applicant has implemented the principle of anti-discrimination</li> <li>– Concluding protocols with the Managing Authorities to ensure the active involvement of the national body for equality in all the activities related to the ESI Funds</li> <li>– Concluding a Protocol with the Ministry of European Funds in order to ensure the active involvement of the national body for equality in the preparation and implementation of the programmes financed from ESI funds.</li> <li>– Setting up a service within NCCD, that will ensure the monitoring and enforcement of compliance with the legislation on antidiscrimination during the programming and implementation of the ESI programmes, including providing guidance on equality in</li> </ul>	31.12.2014	National Council for Combating Discrimination

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>the activities linked to the ESI funds.</p> <ul style="list-style-type: none"> <li>– The inclusion of NCCD in the Monitoring Committee of OPs, in order to ensure the implementation and monitoring of antidiscrimination law's provisions and the inclusion on the agenda of the MC reunions of distinct presentations on the topic of antidiscrimination. -</li> <li>– The assignment at the level of each OP of a counselor for antidiscrimination issues, who will offer support on this topic in the activities linked to the ESI Funds</li> <li>– The creation of a monitoring mechanism in order to monitor and provide advice on issues referring to antidiscrimination in the interventions co-financed by the ESI funds, as well as on the guidelines and reports resulting from the projects's implementation , co-financed by ESI, on a permanent basis.</li> </ul>		
G1. The existence of administrative capacity for the implementation and application of Union anti-discrimination law and policy in the field of ESI Funds.	2. Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union anti discrimination law and policy.	<ul style="list-style-type: none"> <li>– Implementing the financing Contract nr. 1.3.174 from the 14.05.2014 for the project ``training in the field of antidiscrimination, gender equality and rights of disabled persons addressed to the employees of the Management Authorities,</li> </ul>	31.12.2015	National Council for Combating Discrimination



Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>Intermediary Bodies, Audit Authority, Certifying and Payment Authority and Ministry of European Funds. The project is financed from OPTA 2007-2013.-</p> <ul style="list-style-type: none"> <li>– The beneficiary of this project is the National Council for Combating Discrimination, which will assure the training in three areas related to the conditionalities.</li> <li>– A plan for training will be elaborated, its first component will deal with Union anti-discrimination law and policy</li> <li>– The target group - the staff involved in the management and control of EU structural and investment funds of the Managing Authorities, Intermediate Bodies, Certifying and Paying Authority, Audit Authority and Ministry of European Funds.</li> <li>– Expected results - At the end of the training program, training beneficiaries will be able to identify how the principles of anti-discrimination, gender equality, and the rights of persons with disabilities are found throughout the various stages associated with the preparation, development and implementation of operational programs - Programming (context analysis, strategy development, indicators, defining interventions) Call for proposals (Applicant's</li> </ul>		

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>Guide, information and publicity, etc.) Project selection (eligibility criteria, criteria for evaluation and selection, involvement of the experts with expertise in the field); Project preparation (Assistance in drafting the projects); Monitoring (Indicator systems, Reporting, Implementation manuals); Financial Management and Control (financial allocations); Evaluation, The principle of partnership etc.</p> <ul style="list-style-type: none"> <li>– The structure of the training course on antidiscrimination:</li> <li>1. Stereotypes, Prejudices and Discrimination.</li> <li>2. European and international legislation.</li> <li>3. Internal/ international casuistry.</li> <li>4. The national legislation O.G. No. 137/2000, republished.</li> <li>5. National Jurisprudence.</li> <li>6. Conflict of competences in the applicability of the legislation in the field.</li> <li>7. Ways of implementing the conditionality/discrimination/operational programs.</li> </ul>		
G2. The existence of administrative capacity for the implementation and application of Union gender	1. Arrangements in accordance with the institutional and legal framework of Member	<ul style="list-style-type: none"> <li>– A Framework Document will be elaborated stipulating</li> </ul>	31.12.2014	Equal Opportunities and Employment Directorate (Ministry of Labour, Family, Social Protection and Elderly)

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
equality law and policy in the field of ESI Funds.	States for the involvement of bodies responsible for gender equality throughout the preparation and implementation of programmes, including the provision of advice on gender equality in ESI Fund-related activities.	<p>concrete measures in order to to consult with and involve bodies in charge of the promotion of gender equality throughout the preparation and implementation of programmes, including the provision of advice on gender equality in ESI Fund-related activities.</p> <p>Designing a questionnaire within the framework of the document that will be applied to each applicant's guide and will assign a score in the cases where the applicant has implemented the principle of gender equality</p> <ul style="list-style-type: none"> <li>- Concluding protocols with the Managing Authorities to ensure the active involvement of the national body for equality in all the activities related to the ESI Funds</li> <li>- Concluding a Protocol with the Ministry of European Funds in order to ensure the active involvement of the national body for equality in the preparation and implementation of the programs financed from ESI funds</li> <li>- The assignment at the level of each OP of a counsellor on gender equality issues, who will offer support on this topic in all the activities linked to the ESI Funds.-</li> <li>- The creation of a monitoring mechanism in order to monitor and provide advice on issues referring to gender equality</li> </ul>		National Council for Combating Discrimination

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>in the interventions co-financed by the ESI funds as well as on the guidelines and reports resulting from the project's implementation, co-financed by ESI, on a permanent basis.</p> <ul style="list-style-type: none"> <li>– Maintaining the representatives of EOED in the Monitoring Committees (MC) for the next programming period 2014-2020, in view of ensuring the implementation and monitoring the provisions of the legislation on gender equality and the inclusion of some distinct presentations on the theme of gender equality</li> </ul>		
G2. The existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds.	2. Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union gender equality law and policy as well as on gender mainstreaming.	<ul style="list-style-type: none"> <li>- Implementing the financing Contract nr.1.3.174 from the 14.05.2014 for the project ``training in the field of antidiscrimination, gender equality and rights of disabled persons addressed to the employees of the Management Authorities, Intermediary Bodies, Audit Authority, Certifying and Payment Authority and Ministry of European Funds. The project is financed from OPTA 2007-2013.- National Council for Combating Discrimination. The beneficiary of this project is the National Council for Combating Discrimination, which will assure the training in three areas related to the conditionalities.</li> <li>- A plan for training will be</li> </ul>	31.07.2014	National Council for Combating Discrimination

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>elaborated. Its second component will deal with Union gender equality law and policy as well as on gender mainstreaming.</p> <p>The target group - the staff involved in the management and control of EU structural and investment funds of the Managing Authorities, Intermediate Bodies, Certifying and Paying Authority, Audit Authority and Ministry of European Funds.</p> <p>Expected results - At the end of the training program, training beneficiaries will be able to identify how the principles of anti-discrimination, gender equality, and the rights of persons with disabilities are found throughout the various stages associated with the preparation, development and implementation of operational programs - Programming (context analysis, strategy development, indicators, defining interventions) Call for proposals (Applicant's Guide, information and publicity, etc.) Project selection (eligibility criteria, criteria for evaluation and selection, involvement of the experts with expertise in the field); Project preparation (Assistance in drafting the projects); Monitoring (Indicator systems, Reporting, Implementation manuals); Financial Management and Control (financial allocations); Evaluation, The</p>		

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>principle of partnership etc.</p> <p>The structure of the training course on gender equality:</p> <ol style="list-style-type: none"> <li>1. Conceptual framework of gender equality.</li> <li>2. Stereotypes and prejudices. Equality.</li> <li>3. International and EU legislation.</li> <li>4. Jurisprudence.</li> <li>5. National legislation. Law 202/2002, second version, with modifications, OG No. 137/2000, republished.</li> <li>6. Terms used in the field of equal opportunities.</li> <li>7. Fields of application of the principle of equal opportunities</li> <li>8. Conflict of competences in the applicability of the legislation in the field.</li> <li>9. Ways of implementing the conditionality/discrimination/operational programs</li> </ol>		
G3. The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCPRD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.	1. Arrangements in accordance with the institutional and legal framework of Member States for the consultation and involvement of bodies in charge of protection of rights of persons with disabilities or representative organisations of persons with disabilities and other relevant stakeholders throughout the preparation and	<p>– A Framework Document will be elaborated to consult with and involve bodies in charge of protection of rights of persons with disabilities, such as independent monitoring mechanisms established under Art. 33(2) of the UN CRPD</p>	31.07.2014	Directorate for the Protection of Persons with Disabilities (Ministry of Labour, Family, Social Protection and Elderly) National Council for Combating Discrimination

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
	implementation of programmes.	<p>or relevant civil society representatives, in particular representative organisations of persons with disabilities, including from the perspective of the accessibility measures.</p> <ul style="list-style-type: none"> <li>– Designing a questionnaire within the framework document that will be applied to each applicant's guide and will assign a score in the cases where the applicant has observed the rights of persons with disabilities</li> </ul>		
G3. The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.	2. Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of applicable Union and national disability law and policy, including accessibility and the practical application of the UNCPRD as reflected in Union and national legislation, as appropriate.	<ul style="list-style-type: none"> <li>– Implementing the financing Contract nr.1.3.174 from the 14.05.2014 for the project ``training in the field of antidiscrimination, gender equality and rights of disabled persons addressed to the employees of the Management Authorities, Intermediary Bodies, Audit Authority, Certifying and Payment Authority and Ministry of European Funds. The project is financed from OPTA 2007-2013</li> </ul> <p>The beneficiary of this project is the National Council for Combating Discrimination, which will assure the training in three areas related to the conditionalities.</p> <ul style="list-style-type: none"> <li>– A plan for training will be elaborated. Its final component will deal with accessibility, equality and non-discrimination of</li> </ul>	31.12.2015	National Council for Combating Discrimination

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>personwith disabilities</p> <ul style="list-style-type: none"> <li>– The Target group - the staff involved in the management and control of EU structural and investment funds of the Managing Authorities, Intermediate Bodies, Certifying and Paying Authority, Audit Authority and Ministry of European Funds.</li> <li>– Expected results - At the end of the training program, training beneficiaries will be able to identify how the principles of anti-discrimination, gender equality, and the rights of persons with disabilities are found throughout the various stages associated with the preparation, development and implementation of operational programs - Programming (context analysis, strategy development, indicators, defining interventions) Call for proposals (Applicant's Guide, information and publicity, etc.) Project selection (eligibility criteria, criteria for evaluation and selection, involvement of the experts with expertise in the field); Project preparation (Assistance in drafting the projects); Monitoring (Indicator systems, Reporting, Implementation manuals); Financial Management and Control (financial allocations); Evaluation, The principle of partnership etc.</li> <li>– The structure of the training course on persons with</li> </ul>		



Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>disabilities:</p> <ol style="list-style-type: none"> <li>1. Framework for people with disabilities.</li> <li>2. Stereotypes and prejudices. Handicap or disability?</li> <li>3. General principles in international law - the European Convention on rights of persons with disabilities - CEDPD.</li> <li>4. European Directives.</li> <li>5. National legislation. Law no. 448/2006. O.G. No. 137/2000, republished. Accessibility. Rights and obligations.</li> <li>6. Types of disability / fields and obligations.</li> <li>7. Ways of implementing the conditionality/discrimination/operational programs.</li> </ol>		
G3. The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.	3. Arrangements to ensure monitoring of the implementation of Article 9 of the UNCRPD in relation to the ESI Funds throughout the preparation and the implementation of the programmes.	<ul style="list-style-type: none"> <li>– Concluding protocols with the Managing Authorities to ensure the active involvement of the responsible body in all the activities related to the ESI Funds</li> <li>– Concluding a Protocol with the Ministry of European Funds in order to ensure the active involvement of the responsible body in the preparation and implementation of the programs financed from ESI funds</li> </ul>	31.12.2014	Directorate for the Protection of Persons with Disabilities (Ministry of Labour, Family, Social Protection and Elderly)

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<ul style="list-style-type: none"> <li>– The creation of monitoring mechanisms in order to ensure notification and resolution of problems as well as, enforcement mechanisms in relation to accessibility for persons with disabilities in interventions co-funded by ESI Funds</li> <li>– All the guidelines and reports issued from the interventions co-financed through ESI will be subject of the Monitoring Mechanism, regarding the application of article 9 of CDPD</li> <li>– Setting up a service in the DPPD, which will ensure the monitoring of the application of article 9 of CDPD, regarding ESI funds during the programming and implementation of the programs.</li> <li>– Elaboration of a technical document, based on the applicable Union and national rules and standards referring to the accessibility of the physical, communicational and informational environment</li> </ul>		
G4. The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	1. Arrangements for the effective application of Union public procurement rules through appropriate mechanisms.	<p>Romania envisage to assure a clear, stable and coherent legal framework by:</p> <ul style="list-style-type: none"> <li>– Empowering ANRMAP to assure consistency with sectoral legislation</li> <li>– Establish an effective monitoring and management of the</li> </ul>	31.10.2015	<p>National Authority for Regulating and Monitoring of Public Procurement (ANRMAP)</p> <p>National Council for Solving Complaints (CNSC)</p> <p>Ministry of European Funds (MEF)</p>

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>procurement market through setting up a "observatory" of the procured markets, managed by ANRMAR and filled through award notices published in SEAP, in order to detect and tackle, through adequate corrective measures, market inefficiencies</p> <ul style="list-style-type: none"> <li>– Impact assessment and stakeholders consultation prior to initiative</li> <li>– Transposition of the future directives and improving the quality of legal drafting (horizontal issue in the wider context of the administrative reform)</li> <li>– Promoting future codification</li> </ul> <p>Romania will make efforts in order to assure an efficient institutional framework through quality, coherence and expectability of opinions and decisions through:</p> <ul style="list-style-type: none"> <li>– Coordination between institutions (through coordination mechanisms and subsequent guidance)</li> <li>– Within the same institution (through internal governance mechanisms).</li> <li>– Making the "jurisprudence" accessible and user friendly, in particular CNSC's decisions</li> </ul>		

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>Romania will take action to have efficient verification and control mechanisms through:</p> <ul style="list-style-type: none"> <li>– Streamlining the ex-ante controls</li> <li>– Empowering UCVAP in enforcing their observations to avoid signature of unlawful contracts</li> <li>– Reinforcing the effectiveness of prevention and detection of conflict of interests, including for nationally funded contracts</li> </ul> <p>Romania will take measures to reinforcing the effectiveness of the remedy system through:</p> <ul style="list-style-type: none"> <li>– "Discouraging" (without legal / financial obstacles) abusive complains, making complainers more responsible;</li> <li>– Training and specialising judges from the courts of appeals</li> <li>– Making CNSC decisions more expectable</li> </ul>		
G4. The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	2. Arrangements which ensure transparent contract award procedures.	Developing a best practice guide with regard to the main steps to be followed during the evaluation process, regardless of the funding and financing source	28.02.2015	National Authority for Regulating and Monitoring of Public Procurement (ANRMAP) Ministry of European Funds (MEF)

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
G4. The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	3. Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds.	<p>Romania will develop a National Strategy on training that will envisage the following tasks:</p> <ul style="list-style-type: none"> <li>– Pooling expertise for evaluation</li> <li>– Reviewing the effectiveness of trainings</li> </ul> <p>Developing a best practice guide with regard to the main steps to be followed during the evaluation process, regardless of the funding and financing source</p>	31.07.2015	National Authority for Regulating and Monitoring of Public Procurement (ANRMAP) Ministry of European Funds (MEF)
G4. The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	4. Arrangements to ensure administrative capacity for implementation and application of Union public procurement rules.	Developing, whenever relevant, standardized tendering documentation and recouring, whenever relevant, to CPA (central purchasing bodies)	30.06.2015	National Authority for Regulating and Monitoring of Public Procurement (ANRMAP)
G5. The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds.	1. Arrangements for the effective application of Union State aid rules.	<ul style="list-style-type: none"> <li>– Competition Council has started the necessary procedures in order to implement a new kind of database, where the State aids will be recorded at the moment when they are effectively granted. Such database will allow the Competition Council and all the grantors (which manage grants from national budget and/or ESIF) to verify ex-ante the eligibility of any beneficiary for granting State aids/de minimis aids, including the observance of the cumulation rules or of the “Deggendorf” obligation.</li> </ul>	31.12.2015	The Competition Council

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<ul style="list-style-type: none"> <li>– It was established a cooperation protocol between Competition Council, Ministry of European Funds and Special Telecommunications Service, which sets the framework of collaboration between these three institutions during both project implementation as regards the database creation and its further use and development/amendment, if the case may be. By this Protocol, all parties have committed to draft the new Romanian legislation related to this database and its users (Competition Council and grantors, irrespective of the source of financing). The draft legislation will be elaborated by the Competition Council and disseminated for public consultation. Its adoption is foreseen after the database reaches the final stage of development.</li> <li style="margin-left: 40px;">Actions:</li> <li>– The procedure for procurement of IT equipment and licences <ul style="list-style-type: none"> <li>o drawing up specifications</li> <li>o launching the procedure</li> <li>o developing the procedure</li> <li>o approval of the procurement documentation by the Technical-Economical Committee for IT projects established within</li> </ul> </li> </ul>		

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>the Ministry of Informational Society in 2013.</p> <ul style="list-style-type: none"> <li>- Purchase of equipment</li> <li>- Loading data from The Unique Management System of Information (SMIS) as part of the testing phase</li> <li>- Updating the database in real time (including real time import of data from SMIS)</li> <li>-- Amendment of the national legislation on state aid to introduce the obligation for the state aid grantors / initiators to use the database</li> </ul>		
G6. The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA.	2. Arrangements for training and dissemination of information for staff involved in the implementation of the EIA and SEA Directives.	<ul style="list-style-type: none"> <li>- The Strategy and the Plan for training contains 2 cycles: 2014-2016 and 2017-2020.</li> <li>- Implementation of the first cycle 2014-2016 of the Strategy and Plan will be organised in 2 stages for around 400 staff per stage. Every stage has: <ul style="list-style-type: none"> <li>o EIA training: 15 sessions, 3 days each session;</li> <li>o SEA training: 15 sessions, 3 days each session.</li> </ul> </li> <li>- Training development of the first stage of the first cycle of the Strategy and Plan</li> <li>- elaboration of an</li> </ul>	30.11.2016	Ministry of Environment and Climate Changes

Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		intermediary assessment of the training needs at the end of first stage. The assessment will be taken into account in the organization of the second stage. – implementation of the second stage of the first cycle of the Strategy and Plan		
G7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	1. Arrangements for timely collection and aggregation of statistical data with the following elements are in place: the identification of sources and mechanisms to ensure statistical validation.	This criteria will be entirely analysed at each operational programme's level.		
G7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	2. Arrangements for timely collection and aggregation of statistical data with the following elements are in place: arrangements for publication and public availability of aggregated data.	This criteria will be entirely analysed at each operational programme's level.		
G7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	3. An effective system of result indicators including: the selection of result indicators for each programme providing information on what motivates the selection of policy actions financed by the programme.	This criteria will be entirely analysed at each operational programme's level.		
G7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	4. An effective system of result indicators including: the establishment of targets for these indicators.	This criteria will be entirely analysed at each operational programme's level.		



<b>Applicable general ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled</b>	<b>Criteria not fulfilled</b>	<b>Actions to be taken</b>	<b>Deadline (date)</b>	<b>Bodies responsible for fulfilment</b>
desired results, to monitor progress towards results and to undertake impact evaluation.				
G7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	5. An effective system of result indicators including: the consistency of each indicator with the following requisites: robustness and statistical validation, clarity of normative interpretation, responsiveness to policy, timely collection of data.	This criteria will be entirely analysed at each operational programme's level.		
G7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.	6. Procedures in place to ensure that all operations financed by the programme adopt an effective system of indicators.	This criteria will be entirely analysed at each operational programme's level.		

<b>Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled</b>	<b>Criteria not fulfilled</b>	<b>Actions to be taken</b>	<b>Deadline (date)</b>	<b>Bodies responsible for fulfilment</b>
T01.1. Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well performing national or regional R&I systems.	1. A national or regional smart specialisation strategy is in place that:	The National RDI Strategy 2014-2020 is the national policy framework, including smart specialisation strategic orientations ( <a href="http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> ).	31.07.2014	Ministry of National Education - R&D Department
		- 5 December 2013 - the completion of the preliminary version of the		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>National RDI Strategy 2014-2020</p> <ul style="list-style-type: none"> <li>- December 2013 – February 2014</li> <li>- public debate (<a href="http://www.research.edu.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020">http://www.research.edu.ro/ro/articol/3343/strategia-nationala-de-cercetare-si-inovare-2014-2020</a> )</li> <li>- May-June: Interinstitutional proces for approval by Government Decision (GDI)</li> <li>- July 2014 – The endorsement of the GD for adoption of the National RDI Strategy 2014-2020</li> </ul>		
T02.1. Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	1. A strategic policy framework for digital growth, for instance, within the national or regional smart specialisation strategy is in place that contains:	<p>The National Digital Agenda Strategy for Romania is the strategic policy framework for digital growth and it will fulfill all the criteria requested under the 2.1 ex ante conditionality.</p> <p>Actions for its approval are:</p> <ul style="list-style-type: none"> <li>– to publish the draft of the National Digital Agenda Strategy for Romania on the MSI site for public consultation and to include into the documents the COM observations and the partners proposals in order to ensure the fulfilment of the conditionalities (July 2014)</li> <li>– to elaborate the legal acts in order to submit the strategic documents for approval and to transmit them to the ministries involved in endorsement (August</li> </ul>	30.09.2014	Ministry for Informational Society

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		2014) – to obtain the approval and to published in the Official Journal (September 2014)		
T02.1. Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	2. budgeting and prioritisation of actions through a SWOT or similar analysis consistent with the Scoreboard of the Digital Agenda for Europe;	The National Digital Agenda Strategy for Romania is the strategic policy framework for digital growth and it will fulfill all the criteria requested under the 2.1 ex ante conditionality.	30.09.2014	Ministry for Informational Society
T02.1. Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	3. an analysis of balancing support for demand and supply of ICT should have been conducted;	The National Digital Agenda Strategy for Romania is the strategic policy framework for digital growth and it will fulfill all the criteria requested under the 2.1 ex ante conditionality.	30.09.2014	Ministry for Informational Society
T02.1. Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	4. indicators to measure progress of interventions in areas such as digital literacy, e-inclusion, e-accessibility, and progress of e-health within the limits of Article 168 TFEU which are aligned, where appropriate, with existing relevant sectoral Union, national or regional strategies;	The National Digital Agenda Strategy for Romania is the strategic policy framework for digital growth and it will fulfill all the criteria requested under the 2.1 ex ante conditionality.	30.09.2014	Ministry for Informational Society
T02.1. Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives.	5. assessment of needs to reinforce ICT capacity-building.	The National Digital Agenda Strategy for Romania is the strategic policy framework for digital growth and it will fulfill all the criteria requested under the 2.1	30.09.2014	Ministry for Informational Society

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
businesses and public administrations including cross border initiatives.		ex ante conditionality.		
<p>T02.2. Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.</p>	<p>1. A national or regional NGN Plan is in place that contains:</p>	<p>The National Plan for the Development of NGN Infrastructure will fulfill all the criteria requested under the 2.2 ex ante conditionality.</p> <p>Actions for its approval are:</p> <ul style="list-style-type: none"> <li>– to transmit the National Plan for the Development of NGN Infrastructure to DG Connect (June 2014)</li> <li>– to publish the draft of the National NGN Plan on the MSI site for public consultation and to include into the documents the COM observations and the partners proposals in order to ensure the fulfilment of the conditionalities (July 2014)</li> <li>– to elaborate the legal acts in order to submit the strategic documents for approval and to transmit them to the ministries involved in endorsement (August 2014)</li> <li>– to obtain the approval and to published in the Official Journal (September 2014)</li> </ul>	30.09.2014	Ministry for Informational Society
<p>T02.2. Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an</p>	<p>2. a plan of infrastructure investments based on an economic analysis taking account of existing private and public infrastructures and planned investments;</p>	<p>The National Plan for the Development of NGN Infrastructure will fulfill all the criteria requested under the 2.2 ex ante conditionality.</p>	30.09.2014	Ministry for Informational Society

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.				
T02.2. Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.	3. sustainable investment models that enhance competition and provide access to open, affordable, quality and future-proof infrastructure and services;	The National Plan for the Development of NGN Infrastructure will fulfill all the criteria requested under the 2.2 ex ante conditionality.	30.09.2014	Ministry for Informational Society
T02.2. Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.	4. measures to stimulate private investment.	The National Plan for the Development of NGN Infrastructure will fulfill all the criteria requested under the 2.2 ex ante conditionality.	30.09.2014	Ministry for Informational Society
T03.1. Specific actions have been carried out to underpin the promotion of entrepreneurship taking into account the Small Business Act (SBA).	2. The specific actions are: measures have been put in place with the objective of reducing the time needed to get licenses and permits to take up and perform the specific activity of an enterprise taking account of the targets of the SBA;	The Action Plan 2013-2014, elaborated by the the Working Group for improving the business environment established by Government Decision No. 685/2013, includes the measures in order to simplify the legislative and administrative business environment.  One of the measures is the revising of the legislative framework to get licenses and permits to take up and perform the specific activity of an enterprise, taking account the	22.12.2014	Department for SMEs, Business Environment and Tourism

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		targets of SBA.		
T05.1. Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	1. A national or regional risk assessment with the following elements shall be in place:	The implementation of a technical assistance project for the elaboration of the national risk assessment.	21.12.2015	Ministry of Internal Affairs - General Inspectorate for Emergency Situations
T05.1. Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	2. a description of the process, methodology, methods, and non-sensitive data used for risk assessment as well as of the risk-based criteria for the prioritisation of investment;	<p>Assessment of the main risks in Romania will be done by an Technical Assistance project.</p> <p>According to GD 2288/2004 were identified institutions with responsibilities in risk prevention and management.</p> <p>Assessment of the main risks in Romania will be done by the Working Group on Risk Assessment at national level (GLERN) supported by technical assistance. For the formal establishment of GLERN will be developed and approved legal framework.</p> <p>Risk evaluation will be based on the Commission Guidance on Risk Assessment and Mapping Guidelines for Disaster Management. The assessment will involve a wide range of actors and stakeholders, consider all three categories of impacts and will address cross-border issues</p> <p>Also, the evaluation will provide prioritisation of investments.</p>	30.06.2016	Ministry of Internal Affairs - General Inspectorate for Emergency Situations

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
T05.1. Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	3. a description of single-risk and multi-risk scenarios;	Single-risk and multi-risk scenarios will be elaborated after the evaluation. Also, the evaluation will provide a description of the scenarios	30.09.2015	Ministry of Internal Affairs - General Inspectorate for Emergency Situations
T05.1. Risk prevention and risk management: the existence of national or regional risk assessments for disaster management taking into account climate change adaptation	4. taking into account, where appropriate, national climate change adaptation strategies.	<p>The last subcriteria is partially achieved in the sense that the National Strategy on Climate Change 2013-2020 was approved by the GO 529/2013. The Strategy addresses two main components: the reduction of greenhouse gas emissions concentration (Mitigation) and adapting to the effects of climate change (Adaptation).</p> <p><a href="http://www.mmediu.ro/beta/wp-content/uploads/2012/10/2012-10-05-Strategia_NR-SC.pdf">http://www.mmediu.ro/beta/wp-content/uploads/2012/10/2012-10-05-Strategia_NR-SC.pdf</a></p> <p>National Action Plan on Climate Changes will be elaborated through technical assistance in order to operationalize the strategy.</p> <p>Development of the National Action Plan on Climate Change which will detail the sectorial actions of the National Strategy in the field. A first draft of the Action Plan - first quarter 2015</p> <p>Final version and approval.</p>	30.06.2015	Ministry of Environment and Climate Changes Ministry of Internal Affairs - General Inspectorate for Emergency Situations

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
T06.1. Water sector: The existence of a) a water pricing policy which provides adequate incentives for users to use water resources efficiently and b) an adequate contribution of the different water uses to the recovery of the costs of water services at a rate determined in the approved river basin management plan for investment supported by the programmes.	1. In sectors supported by the ERDF, the Cohesion Fund and the EAFRD, a Member State has ensured a contribution of the different water uses to the recovery of the costs of water services by sector consistent with the first indent of Article 9(1) of Directive 2000/60/EC having regard, where appropriate, to the social, environmental and economic effects of the recovery as well as the geographic and climatic conditions of the region or regions affected.	<p>The analysis for the recovery of related costs of water services will be completed in the following Basin Rivers Management Plans, by including of the externalities of environmental costs and of costs of resources on the basis of the recommended methodologies of European Commission.</p> <p>The actualization of the National Management Plan for the part of the International Danube District which belongs to Romanian Territory and of 11 River Basins Management Plans</p> <p>A first draft of the National Management Plan for the part of the International Danube District which belongs to Romanian Territory and of 11 River Basins Management Plans - 22 December 2014</p>	22.12.2014	Ministry of Environment and Climate Changes
T06.2. Waste sector: Promoting economically and environmentally sustainable investments in the waste sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy.	2. The existence of one or more waste management plans as required under Article 28 of Directive 2008/98/EC;	National Waste Management Plan (NWMP) will be revised in accordance with NWMS and the new requirements of Law 211/2011 on waste which transpose Directive 2008/98/EC. Currently we are preparing tender documentation to choose the consultant which will	30.06.2015	Ministry of Environment and Climate Changes



Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		realize the NWMP.		
T06.2. Waste sector: Promoting economically and environmentally sustainable investments in the waste sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy.	3. The existence of waste prevention programmes, as required under Article 29 of Directive 2008/98/EC;	Developing the National Waste Prevention Plan. It will be part of the National Waste Management Plan. Trimester II 2015	30.06.2015	Ministry of Environment and Climate Changes
T07.1. Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	5. a realistic and mature pipeline for projects for which support from the ERDF and the Cohesion Fund is envisaged;	The GTMP will deliver a realistic and mature pipeline of projects, including projects that will be financed by European funds. The GTMP development includes a large process for needs/interventions/projects identification, including traffic modelation and CBA. The implementation and budgetary plan will bw also part of the GTMP.	31.07.2014	Ministry of Transport
T07.1. Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	1. The existence of a comprehensive transport plan or plans or framework or frameworks for transport investment which complies with legal requirements for strategic environmental assessment and sets out:	<p>The General Transport Master Plan (GTMP) is in an advanced stage of elaboration. The GTMP elaboration has started in April 2012, with technical assistance support.</p> <p>The GTMP will include all transport modes (road, rail, water, air, and intermodality) and will include a comprehensive investment plan for transport sector until 2030. It will comply with strategic environmental assessment, that is under elaboration. A working group was set up in order to elaborate the Environmental Report.</p>	31.07.2014	Ministry of Transport

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
T07.1. Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	2. the contribution to the single European Transport Area consistent with Article 10 of Regulation (EU) No .../2013 of the European Parliament and of the Council, including priorities for investments in:	The GTMP will contain the National Transport Model, including core and comprehensive TEN-T network, TEN-T connections at national level.  The secondary connectivity with TEN-T network is also ensured and is analysed in the GTMP.	31.07.2014	Ministry of Transport
T07.1. Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	3. the core TEN-T network and the comprehensive network where investment from the ERDF and the Cohesion Fund is envisaged; and	The GTMP will contain the National Transport Model, including core and comprehensive TEN-T network, TEN-T connections at national level.  The secondary connectivity with TEN-T network is also ensured and is analysed in the GTMP.	31.07.2014	Ministry of Transport
T07.1. Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	4. secondary connectivity;	The GTMP will contain the National Transport Model, including core and comprehensive TEN-T network, TEN-T connections at national level.  The secondary connectivity with TEN-T network is also ensured and is analysed in the GTMP.	31.07.2014	Ministry of Transport
T07.1. Transport: The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks.	6. Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	The measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline: – Organize of periodic seminars, based on a training plan for professional development that	30.09.2014	Ministry of Transport

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
networks.		<p>will have different topic like public procurement, FIDIC contracts, financial management, suspicions of irregularities and frauds, in order to build the capacity of the human resources involved in the management of structural funds;</p> <ul style="list-style-type: none"> <li>– Elaboration of operational procedures for the beneficiaries, advised by the intermediary body and approved by the Managing Authority that will cover the conduct of public procurement procedures, authorization of reimbursements generated by project implementation, identification of suspicions of irregularities and/or frauds, project monitoring (technical and financial), identification of conflict of interest, an other areas that involve the implementation of projects financed from structural funds;</li> <li>– Approval of organizational structures and of organizational and functioning regulation at beneficiaries level in order to ensure the fulfilment of essential functions needed for project implementation. For example: evaluation function, monitoring function, implementation function, control risk identification function;</li> <li>– Establishment of some control structures at the intermediary body level that will</li> </ul>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		verify how the implementation of the operational procedures at beneficiaries level is made, in order to build the control and management system of the program.		
T07.2. Railway: The existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on railway development in accordance with the Member States' institutional set up (including concerning public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks. The investments cover mobile assets, interoperability and capacity building.	1. The existence of a section on railway development within the transport plan or plans or framework or frameworks as set out above which complies with legal requirements for strategic environmental assessment (SEA) and sets out a realistic and mature project pipeline (including a timetable and budgetary framework);	<p>The General Transport Master Plan (GTMP) is in an advanced stage of elaboration. The GTMP elaboration has started in April 2012, with technical assistance support.</p> <p>The GTMP will include all transport modes (road, rail, water, air, and intermodality) and will include a comprehensive investment plan for transport sector until 2030. It will comply with strategic environmental assessment, that is under elaboration. A working group was set up in order to elaborate the Environmental Report.</p> <p>The GTMP will contain the National Transport Model, including core and comprehensive TEN-T network, TEN-T connections at national level.</p> <p>The secondary connectivity with TEN-T network is also ensured and is analysed in the GTMP.</p> <p>The GTMP will deliver a realistic and mature pipeline of projects, including projects that will be financed by European funds. The GTMP development includes a large process for needs/interventions/projects identification, including traffic</p>	31.07.2014	Ministry of Transport

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
<p>T07.2. Railway: The existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on railway development in accordance with the Member States' institutional set up (including concerning public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN T comprehensive and core networks. The investments cover mobile assets, interoperability and capacity building.</p>	<p>2. Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.</p>	<p>modelation and CBA. The implementation and budgetary plan will bw also part of the GTMP.</p> <p>The measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline:</p> <ul style="list-style-type: none"> <li>Organize of periodic seminars, based on a training plan for professional development that will have different topic like public procurement, FIDIC contracts, financial management, suspicions of irregularities and frauds, in order to build the capacity of the human resources involved in the managemnt of structural funds;</li> <li>Elaboration of operational procedures for the beneficiaries, advised by the intermediary body and aproved by the Managing Authority that will cover the conduct of public procurement procedures, authorization of reimbursements generated by project implementation, identification of suspicions of irregularities and/or frauds, project monitoring (technical and financial), identification of conflict of interest, an other areas that involve the implementation of projects financed from structural funds;</li> <li>Approval of organizational structures and of</li> </ul>	<p>30.09.2014</p>	<p>Ministry of Transport</p>

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>organizational and functioning regulation at beneficiaries level in order to ensure the fulfilment of essential functions needed for project implementation. For example: evaluation function, monitoring function, implementation function, control risk identification function;</p> <ul style="list-style-type: none"> <li>– Establishment of some control structures at the intermediary body level that will verify how the implementation of the operational procedures at beneficiaries level is made, in order to build the control and management system of the program.</li> </ul>		
T08.1. Active labour market policies are designed and delivered in the light of the Employment guidelines.	1. Employment services have the capacity to, and do, deliver: personalised services and active and preventive labour market measures at an early stage, which are open to all jobseekers while focusing on people at highest risk of social exclusion, including people from marginalised communities;	<p>Even if a legal framework in place contains active, preventive and early intervention measures, in order to deliver personalized services. The capacity of the National Agency for Employment and of the territorial units is limited in providing these services. In this respect, for developing an inclusive services offer, free of charge, and for offering support to most of disadvantaged people, the following actions are to be taken:</p> <p>1.1. An analysis at the level of each county and the Bucharest municipality to identify those employment services that can be outsourced</p> <p>Steps to perform the measure:</p>	31.03.2015	National Agency for Employment

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>1.1.1. Identify services that can be outsourced</p> <p>1.1.2. Designing by county agencies of the service procurement programs</p> <p>1.1.3. Analysis and approval of the county procurement programs</p> <p>1.2. Outsourcing of some of the services provided by the SPO through contracts with private providers.</p> <p>Steps to perform the measure:</p> <p>1.2.1. Designing the procurement documentation</p> <p>1.2.2. Organizing the procurement procedures and contracting the services</p> <p>1.2.3. Performing the contracts</p> <p>1.3. Outsourcing of some of the services provided by the SPO for people in marginalized communities through contracts with private providers.</p> <p>Steps to perform the measure:</p> <p>1.2.1. Designing the procurement documentation</p> <p>1.2.2. Organizing the procurement procedures and contracting the services</p> <p>1.2.3. Performing the contracts</p>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
T08.1. Active labour market policies are designed and delivered in the light of the Employment guidelines.	2. Employment services have the capacity to, and do, deliver: comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the labour market.	<p>In order to have a system for a nationwide collection and analysis of labour market data/labour market intelligence, it is foreseen to contracting, in accordance with the law, of services for performing LM analyses and forecasts within the limits of budgetary resources available from the unemployment insurance budget and other sources. Steps to fulfil this criteria are the following:</p> <p>Designing and approval of the tendering documentation</p> <p>Organization of procurement procedure and contracting the services</p> <p>Implementing the contract and presenting the results</p>	31.12.2014	National Agency for Employment
T08.1. Active labour market policies are designed and delivered in the light of the Employment guidelines.	3. Employment services have set up formal or informal cooperation arrangements with relevant stakeholders.	<p>For the cooperation with the temporary work agencies the following steps are to be completed:</p> <p>* Organize meetings with representatives of employment agencies in order to define the possibilities for collaboration</p> <p>Steps to perform the measure:</p> <p>- Identify the relevant stakeholders and the contact details</p> <p>- submitting the intention letters to organize meetings to establish</p>	31.03.2015	National Agency for Employment



Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>potential collaborations</p> <ul style="list-style-type: none"> <li>- Establish collaboration means / ways / actions</li> <li>* Initiation and performing of collaborative programs with temporary employment agencies</li> </ul>		
<p>T08.3. Labour market institutions are modernised and strengthened in the light of the Employment Guidelines. Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex-ante assessment including the gender dimension.</p>	<p>1. Actions to reform employment services, aiming at providing them with the capacity to deliver: personalised services and active and preventive labour market measures at an early stage, which are open to all jobseekers while focusing on people at highest risk of social exclusion, including people from marginalised communities;</p>	<p>Even if a legal framework in place contains active, preventive and early intervention measures, in order to deliver personalized services, as the capacity of the National Agency of Employment and of the territorial units is limited in providing these services. In this respect, for developing an inclusive services offer, free of charge, and for offering support to most of disadvantaged people, the following actions are to be taken:</p> <p>1.1. An analysis at the level of each county and the Bucharest municipality to identify those employment services that can be outsourced</p> <p>Steps to perform the measure:</p> <p>1.1.1. Identify services that can be outsourced</p> <p>1.1.2. Designing by county agencies of the service procurement programs</p> <p>1.1.3. Analysis and approval of the</p>	31.03.2015	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>county procurement programs</p> <p>1.2. Outsourcing of some of the services provided by the SPO through contracts with private providers.</p> <p>Steps to perform the measure:</p> <p>1.2.1. Designing the procurement documentation</p> <p>1.2.2. Organizing the procurement procedures and contracting the services</p> <p>1.2.3. Performing the contracts</p> <p>1.3. Outsourcing of some of the services provided by the SPO for people in marginalized communities through contracts with private providers.</p> <p>Steps to perform the measure:</p> <p>1.2.1. Designing the procurement documentation</p> <p>1.2.2. Organizing the procurement procedures and contracting the services</p> <p>1.2.3. Performing the contracts</p>		
T08.3. Labour market institutions are modernised and strengthened in the light of the Employment Guidelines; Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex-ante assessment including the	2. Actions to reform employment services, aiming at providing them with the capacity to deliver: comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the	<p>In order to have a system for a nationwide collection and analysis of labour market data/labour market intelligence, it is foreseen to ccontracting, in accordance with the law, of services for performing LM</p>	31.12.2014	National Agency for Employment

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
gender dimension.	labour market.	<p>analyses and forecasts within the limits of budgetary resources available from the unemployment insurance budget and other sources. Steps to fulfil this criteria are the following:</p> <ul style="list-style-type: none"> <li>- Designing and approval of the tendering documentation</li> <li>- Organization of procurement procedure</li> <li>- and contracting the services</li> <li>- Implementing the contract and presenting the results</li> </ul>		
T08.3. Labour market institutions are modernised and strengthened in the light of the Employment Guidelines; Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex-ante assessment including the gender dimension.	3. Reform of employment services will include the creation of formal or informal cooperation networks with relevant stakeholders.	<p>For the cooperation with the temporary work agencies the following steps are to be completed in order to fulfil the criteria :</p> <p>*Organize meetings with representatives of temporary employment agencies in order to define indentify the possibilities for collaboration</p> <p>Steps to perform the measure:</p> <ul style="list-style-type: none"> <li>- Identify the relevant stakeholders and the contact details</li> <li>- submitting the intention letters to organize meetings to establish potential collaborations</li> <li>- Establish collaboration means / ways / actions</li> </ul>	31.03.2015	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		*Initiation and performing organizing of collaborative programs with temporary employment agencies		
T08.4. Active and healthy ageing: Active ageing policies are designed in the light of the Employment Guidelines.	1. Relevant stakeholders are involved in the design and follow-up of active ageing policies with a view to retaining elderly workers on the labour market and promoting their employment;	<p>The elaboration of the National Strategy regarding Elderly and Active Ageing 2014-2020 is an additional measure assumed by the Romanian Government for enhancing the existing policies, aiming at improving the life standards of elderly in Romania.</p> <p>An Advisory Services Agreement for drafting the National Strategy on Elderly People and Active Ageing 2014-2020 was signed by the Ministry of Labour, the International Bank for Reconstruction and Development, and the World Bank on 26 February 2014. The contract implementation is on schedule, and the final version of the Strategy and the Action Plan shall be delivered by November 2014.</p> <p>The strategy will be design with a large participation of the relevant stakeholders. The Strategy regarding elderly and active ageing will be finalized in 2014. The main milestones from the technical assistance contract between MASOPHRD and World Bank (no. 321 CS/26.02.2014) are the following:</p>	28.11.2014	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>The first draft of the analysis document</p> <p>The first draft of the strategy</p> <p>The final draft of the strategy</p> <p>Strategy Progress:</p> <p>Working groups have been established with representatives from 7 ministries (Ministry of Labour, Family, Social Protection and Elderly, Ministry of Regional Development and Public Administration, Ministry of Health, Ministry of Transport, Ministry of Education, Ministry of Economy, Ministry of Agriculture and Rural Development).</p> <p>The consultations for the elaboration of the Strategy have started, involving WB experts, 5 ministries (Ministry of Regional Development and Public Administration, Ministry of Health, Ministry of Transport, Ministry of Economy – the Department for Small and Medium Enterprises, Ministry of Labour, Family, Social Protection and Elderly), the National Institute for Medical Expertise and Recovery of Working Capacity, one agency subordinated to MoLFSPE (National Agency for Payments and Social Inspection), and 4 MoLFSPE departments (pensions, disability, employment,</p>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>labour health and safety). The debated themes regard employment, health, education, and social services. Further meetings with WB experts and representative organizations for older persons and other relevant NGOs are being planned.</p> <p>Pension modelling and training workshop completed – the one week-long pension modelling and training workshop with the Ministry of Finance, Ministry of Labour, Family, Social Protection and Elderly, National House for Public Pensions was organized with modelling software and experts provided by the World Bank.</p> <p>the draft documentary analysis report “Living Long, Staying Active and Strong: Promotion of Active Ageing in Romania” was prepared by World Bank;</p> <p>a consultative workshop on the draft report mentioned above took place on 25 June 2015 with a large participation of the representative organizations for older persons, other relevant NGOs, representatives of ministries and World Bank experts.</p> <p>The legislation in the field is published on web-site at: <a href="http://www.mmuncii.ro/j33/index.p">http://www.mmuncii.ro/j33/index.p</a></p>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p><a href="http://ro/legislatie/protectie-sociala/140-organisme-representative">hp/ro/legislatie/protectie-sociala/140-organisme-representative</a> .</p> <p>A socio-economic Analysis regarding Demography and Active Ageing for life in dignity elaborated with more than 30 representatives from relevant institutions and NGOs is published on web-site at:</p> <p><a href="http://www.mmuncii.ro/j33/images/Documente/Familie/MMFSPV%20ANALIZA%20IMBATRANIRE%20ACTIVA.pdf">http://www.mmuncii.ro/j33/images/Documente /Familie/MMFSPV%20ANALIZA%20IMBATRANIRE%20ACTIVA.pdf</a> .</p> <p>There are some 2 socio-economic Analysis regarding Inclusion and Social Affairs and Social Economy and Entrepreneurship which are published on the Labour Ministry's web-site, elaborated with a large participation of relevant stakeholders. The analyses contain information on elderly persons.</p> <p>The analysis are posted at the following address:</p> <p><a href="http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/2781">http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/2781</a></p> <p>Permanent relevant stakeholders that are involved in the design and follow-up of active ageing policies</p>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>are:</p> <ul style="list-style-type: none"> <li>- National Council for Senior Citizens (Law nr.16/2000);</li> <li>- Functioning advisory civic dialogue problems of older people in the prefectures (Government Decision no. 499/2004).</li> </ul>		
T08.4. Active and healthy ageing: Active ageing policies are designed in the light of the Employment Guidelines.	2. A Member State has measures in place to promote active ageing.	<p>Romania has measures in place to promote active ageing. In addition, Aan Advisory Services Agreement for drafting the National Strategy on Elderly People and Active Ageing 2014-2020 was signed by the Ministry of Labour, the International Bank for Reconstruction and Development, and the World Bank on 26 February 2014. The contract implementation is on schedule, and the final version of the Strategy and the Action Plan shall be delivered by November 2014.</p>	30.11.2014	Ministry of Labour, Family, Social Protection and Elderly
T08.5. Adaptation of workers, enterprises and entrepreneurs to change: The existence of policies aimed at favouring anticipation and good management of change and restructuring.	1. Instruments are in place to support social partners and public authorities to develop and monitor proactive approaches towards change and restructuring which include measures: to promote anticipation of change;	<ul style="list-style-type: none"> <li>- On 21 February 2013, the project "Models to encourage investment in continuous training at the company level" started its implementation</li> <li>- It was signed the contract for the project "Evaluation of the policies and measures to encourage active aging", within</li> </ul>	21.12.2015	Ministry of Labour, Family, Social Protection and Elderly



Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>which the methodology for ex- ante and ex -post evaluation of the measures foreseen is be developed.</p> <ul style="list-style-type: none"> <li>- The following projects are to be tendered in February and March 2014:</li> <li>- Prognosis of the evolution of the labour market strategies in Romania in the context of creating jobs for new economic sectors. Dynamic analysis and forecast from the perspective of developing green jobs</li> <li>- Anticipating the developments in the labor market strategies for the period 2013-2020, alternative scenarios and strategies for prompt response in terms of labor market policies</li> <li>- System measures to increase youth employment and ex- ante evaluation of their impact</li> <li>- Evaluating the impact of active measures on reducing unemployment and increasing employment</li> <li>- System measures to increase employment focused on rural population</li> </ul>		
T09.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	1. A national strategic policy framework for poverty reduction, aiming at active inclusion, is in place that:	The elaboration of the National Strategy regarding social inclusion and poverty reduction 2014-2020 is an additional measure assumed by the Romanian Government for	22.12.2014	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		enhancing the existing policies, aiming at combating poverty in Romania.  National Strategy regarding the Social Inclusion and Poverty Reduction 2014-2020 will be drafted with technical assistance (World Bank).		
T09.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	2. provides a sufficient evidence base to develop policies for poverty reduction and monitor developments;	The elaboration of the National Strategy regarding social inclusion and poverty reduction 2014-2020 is an additional measure assumed by the Romanian Government for enhancing the existing policies, aiming at combating poverty in Romania.  National Strategy regarding Social Inclusion and Poverty Reduction 2014-2020 will be drafted with technical assistance (World Bank).  The strategy will have also a comprehensive operational action plan, including a monitoring mechanism, with indicators.  The output of the strategy will be the following: a. The Draft Strategic Vision on Social Inclusion and Poverty Reduction for 2014-2020 b. The Draft Strategy on Social Inclusion and Poverty	22.12.2014	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>Reduction for 2014-2020</p> <p>c. The Draft Action Plan for the 2014-2020 period</p> <p>According to the deadlines from the technical assistance contract between MASOPHRD and World Bank (no. 325 CS/26.02.2014), the final draft strategy, action plan and implementation plan will be delivered by March 2015.</p> <p>Different analysis were performed in this field:</p> <ul style="list-style-type: none"> <li>- A socio-economic analysis regarding social affairs and social inclusion was elaborated with the support of different stakeholders from the public, private and NGO sector (above 0 stakeholders involved).</li> </ul> <p><a href="http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%20ANALIZA%20AFACERI%20SOCIALE%20SI%20INCLUZIUNE%20SOCIALA.pdf">http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%20ANALIZA%20AFACERI%20SOCIALE%20SI%20INCLUZIUNE%20SOCIALA.pdf</a></p> <ul style="list-style-type: none"> <li>- A socio-economic analysis regarding entrepreneurship and social economy was elaborated with the support of different stakeholders from the public, private and NGO sector (above 40</li> </ul>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>stakeholders involved).</p> <p><a href="http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%200ANALIZA%20ANTREPRENORIAT%20SI%20ECONOMIE%20SOCIALA.pdf">http://www.mmuncii.ro/j3/images/Documente/Familie/MMFPSPV%200ANALIZA%20ANTREPRENORIAT%20SI%20ECONOMIE%20SOCIALA.pdf</a></p> <ul style="list-style-type: none"> <li>- National Report on Social Inclusion Indicators 2012</li> </ul> <p><a href="http://www.mmuncii.ro/j3/images/Documente/Familie/DGAS/28-08-2013Set_indic2012.pdf">http://www.mmuncii.ro/j3/images/Documente/Familie/DGAS/28-08-2013Set_indic2012.pdf</a></p> <ul style="list-style-type: none"> <li>- National Institute of Statistics</li> <li>-</li> <li>- National Prognosis Commission data –prognosis regarding relative poverty and the rate of poverty and social exclusion until 2020, according EUSILC methodology</li> <li>-</li> <li>- National Reform Program</li> </ul> <p><a href="http://www.mae.ro/sites/default/files/file">http://www.mae.ro/sites/default/files/file</a></p> <ul style="list-style-type: none"> <li>- /Europa2021/PNR_2011_2013.pdf</li> </ul>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<ul style="list-style-type: none"> <li>- The analysis documents on the current situation regarding the poverty and social inclusion will be undertaken in the process of elaboration of the National Strategy regarding the promotion of social inclusion and combating poverty 2014 – 2020 with the World Bank.</li> <li>- Reports on social inclusion:  <a href="http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/725-raportari-privind-incluziunea-sociala">http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/725-raportari-privind-incluziunea-sociala</a></li> <li>- Statistical data available at:  <a href="http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/755-incluziune-sociala-date-statistice">http://www.mmuncii.ro/j33/index.php/ro/familie/politici-familiale-incluziune-si-asistenta-sociala/familie/politici-familiale-incluziune-si-asistenta-sociala/755-incluziune-sociala-date-statistice</a></li> <li>- The results of the research and development projects: “Models to restructure the social benefits systems and to evaluate the impact on poverty reduction and income distribution” and “Efficiency and effectiveness of the</li> </ul>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		social benefits system in Romania in order to improve and modernize through the micro simulation model” that are part of the Research and Development Plan for 2013 – 2015, approved through the Order of the minister of labour, family, social protection and elderly no. 3808/28.12.2012.		
T09.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	3. contains measures supporting the achievement of the national poverty and social exclusion target (as defined in the National Reform Programme), which includes the promotion of sustainable and quality employment opportunities for people at the highest risk of social exclusion, including people from marginalised communities;	<p>The National Strategy regarding the Promotion of Social Inclusion and Combating Poverty 2014-2020 will include measures supporting the achievement of the national poverty and exclusion target (as defined in the NRP) and will cover following sections:</p> <ul style="list-style-type: none"> <li>- employment and labour market policies (including measures which foster the social economy sector),</li> <li>- social protection (social assistance benefits, social services, pensions),</li> <li>- protection of poor households against energy tariff increases,</li> <li>- education, health, and housing conditions,</li> <li>- rural poverty, and 6. regional dimensions of poverty and social inclusion</li> <li>- The Social inclusion and</li> </ul>	31.03.2015	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>poverty reduction strategy is a horizontal strategy, intersecting various sector strategies, and represents one of key strategies for the achievement of Europe 2020 targets.</p> <p>-</p> <p>National Reform Program reflects the set target for reducing the number of persons affected by poverty, according to the goals of Europe 2020 Strategy. It also includes indicators. The national reform program is published on the web:</p> <p><a href="http://www.mae.ro/sites/default/files/file">http://www.mae.ro/sites/default/files/file</a></p> <p>/Europa2021/PNR_2011_2013.pdf</p>		
T09.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	4. involves relevant stakeholders in combating poverty;	<p>National Strategy regarding the promotion of social inclusion and combating poverty 2014-2020</p> <p>The relevant stakeholders are involved in the design and implementation of the national strategic policy framework.</p> <p>Regarding the legislative acts they are drafted by the MoLFSPE and presented for public consultation.</p> <p>The social-economic analysis on social inclusion and social economy were elaborated with the contribution of over 100 relevant actors, respectively 40 relevant</p>	31.03.2015	Ministry of Labour, Family, Social Protection and Elderly

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		actors		
T09.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	5. depending on the identified needs, includes measures for the shift from institutional to community based care;	<p>National Strategy regarding the promotion of social inclusion and combating poverty 2014-2020 will include measures addressing the shift from institutional to community based care;</p> <ul style="list-style-type: none"> <li>- Measures are included in the draft National Strategy for the Protection and Promotion of children's rights 2014-2020. The Strategy is posted on the website at the following address:  <a href="http://www.mmuncii.ro/j33/index.php">http://www.mmuncii.ro/j33/index.php</a>  <a href="http://ro.transparenta/proiecte-in-dezbatare">/ro/transparenta/proiecte-in-dezbatare</a>  <a href="http://3172-2014-02-03-proiecthg-strategiectecopii">/3172-2014-02-03-proiecthg-strategiectecopii</a></li> </ul> <p>The strategy aims to promote the investment in the development and welfare of the child, based on a holistic and integrated approach by all institutions and state authorities, respecting children's rights, meet their needs, as well as universal access to services.</p> <ul style="list-style-type: none"> <li>- Measures are included in the draft National Strategy regarding social inclusion of persons with disabilities 2014 –</li> </ul>	31.03.2015	Ministry of Labour, Family, Social Protection and Elderly



Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		2020. The Strategy is posted on the Ministry website at the following address: <a href="http://www.mmuncii.ro/j33/index.php/ro/transparenta/proiecte-in-dezbatare/3191-2014-02-12-strategie-dppd">http://www.mmuncii.ro/j33/index.php/ro/transparenta/proiecte-in-dezbatare/3191-2014-02-12-strategie-dppd</a>		
T09.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	6. Upon request and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects.	Under the TA Priority Axis - Human Capital OP 2014-2020 will be included measures through which support will be provided to small applicants for preparation of project proposals, but also during implementation stage. In addition, those interventions that are to be implemented in the framework of global grants scheme, the administrator of the global grant will provide support to small beneficiaries.	22.12.2014	Ministry of European Funds
T09.2. A national Roma inclusion strategic policy framework is in place.	3. identifies where relevant those disadvantaged micro-regions or segregated neighbourhoods, where communities are most deprived, using already available socio-economic and territorial indicators (i.e. very low educational level, long-term unemployment, etc);	The Strategy is under revision and will include the results of two surveys: 1. "Consultation and diagnosis study on support policies for Roma integration in Romania" (not yet finalized and disseminated) 2. "Developing integration strategies for poor areas and disadvantaged communities" (an World Bank research/ The Ministry of Regional Development and	22.12.2014	The National Agency for Roma  The Secretariat General of the Government

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		Public Administration)		
T09.2. A national Roma inclusion strategic policy framework is in place.	4. includes strong monitoring methods to evaluate the impact of Roma integration actions and a review mechanism for the adaptation of the strategy;	The Strategy revision will include a review mechanism in order to its adaptation based on the monitoring results.	22.12.2014	The National Agency for Roma, The Secretariat General of the Government
T09.2. A national Roma inclusion strategic policy framework is in place.	6. Upon request and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects.	National Agency for Roma/Secretariat General of the Government will benefit from technical assistance support through OPTA 2013-2017 and OP Human Capital 2014-2020 in order to sustain beneficiaries/local public authorities who initiate projects in areas covered by the Strategy.	30.09.2016	National Agency for Roma, Secretariat General of the Government
T09.3. Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	1. A national or regional strategic policy framework for health is in place that contains:	<p>The elaboration of the National Health Strategy 2014-2020 (NHS 2014-2020) covers all the ex-ante criteria</p> <p>There is an action plan in place which stipulates that all the measures corresponding to the 3 criteria will be implemented between March 2014- November 2016.</p> <p>The Draft Government Decision was republished on the MS site on the 25th of February, 2014 (after having been in public consultation) and follows the procedure for approval.</p>	07.11.2016	The Ministry of Health

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>The strategy The National Strategy for Health 2014-2020 – Health for Prosperity is available at the web link:</p> <p><a href="http://www.ms.gov.ro/documente/Anexa%201-%20SNS_905_1802.pdf">http://www.ms.gov.ro/documente/Anexa%201-%20SNS_905_1802.pdf</a></p> <p>Implementation Plan</p> <p><a href="http://www.ms.gov.ro/documente/Anexa%202%20-Plan%20implementare_905_1803.pdf">http://www.ms.gov.ro/documente/Anexa%202%20-Plan%20implementare_905_1803.pdf</a></p> <p>Monitoring and Evaluation Plan</p> <p><a href="http://www.ms.gov.ro/documente/Anexa%203%20-%20Plan%20Monitorizare%20Evaluare_905_1804.pdf">http://www.ms.gov.ro/documente/Anexa%203%20-%20Plan%20Monitorizare%20Evaluare_905_1804.pdf</a></p>		
T09.3. Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	2. coordinated measures to improve access to health services;	<p>The Strategy encompasses access measures that refer to :</p> <ul style="list-style-type: none"> <li>– organization of care (opening hours (including 24 hour accessibility), medical staff shifts, management of waiting lists, primary care, GP quotas of patients, gatekeeping , choice of providers , home or out-patient care);</li> <li>– territorial access (availability and location of services and personnel);</li> <li>– physical access (access for the disabled);</li> <li>– insurance coverage, affordability and measures to address socio-economic factors</li> </ul>	07.11.2016	The Ministry of Health

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>affecting access;</p> <ul style="list-style-type: none"> <li>– out-reach initiatives for hard-to-reach, marginal or vulnerable groups;</li> <li>– measures to improve access to e-Health and tele-medicine</li> <li>– access to pharmaceuticals and other medicinal products;</li> <li>– or other measures to improve access to health services</li> </ul>		
T09.3. Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	3. measures to stimulate efficiency in the health sector, through deployment of service delivery models and infrastructure;	<p>Regarding measures to stimulate efficiency in the health sector through deployment of service delivery models and infrastructure; the strategy encompasses access measures that refer to:</p> <ul style="list-style-type: none"> <li>– service delivery models (e.g. transformative measures such as shift from hospital- and institutional-based care to community-based (or home-based) care, or promotion of more integrated forms of care e.g. intersection between health and social care; support measures such as training to health workers);</li> <li>– infrastructure including mapping out of the infrastructure needs (e.g. concentration of specialized services, availability and accessibility of all services);</li> <li>– or other measures to</li> </ul>	30.09.2014	The Ministry of Health

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		stimulate efficiency in the health sector through deployment of, service delivery models and infrastructure.		
T09.3. Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	4. a monitoring and review system.	Regarding the monitoring and review system, the Strategy disposes of a plan for review and monitoring. (Annex nr.2) It will be financed through a project financed under OPTA.	02.03.2015	Ministry of Health
T09.3. Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability.	5. A Member State or region has adopted a framework outlining available budgetary resources on an indicative basis and a cost-effective concentration of resources on prioritised needs for health care.	Concerning a framework outlining available budgetary resources on an indicative basis and a cost-effective concentration of resources on prioritised needs for health care, the main investment priorities from FESI are presented in the implementation plan of the Strategy.  The criteria of selection for the investments that will be financed through FESI 2014-2020, as well as the list with priority investments at national level are presented in the Health chapter in the Partnership Agreement.	31.07.2014	Ministry of Health
T10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	1. A system for collecting and analysing data and information on ESL at relevant levels is in place that:	A data collection system is being developed within the project "Development of Integrated Information System of Education in Romania" (financed through ACD OP 2007-2013)	22.12.2014	Ministry of National Education

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
T10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	2. provides a sufficient evidence-base to develop targeted policies and monitors developments.	<p>The data collection system (provided by the ACD OP project) will ensure the development of a unified and flexible management of all activities in the field of education and will integrate the National Education Database and all other data bases and existing applications, informational systems done under other projects.</p> <p>The system includes a mechanism to monitor and evaluate projects and initiatives aimed at reducing ESL.</p>	22.12.2014	Ministry of National Education
T10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	3. A strategic policy framework on ESL is in place that:	The National Strategic for Reducing the Early School Leaving which is under elaboration (using World Bank technical assistance).	31.07.2014	Ministry of National Education
T10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	4. is based on evidence;	<p>The National Strategy for Reducing the early school leaving will include:</p> <ul style="list-style-type: none"> <li>– an analysis based on current data and information, including the relevant territorial levels</li> <li>– the national factors that trigger ESL and the statistical data at relevant territorial levels;</li> </ul>	31.07.2014	Ministry of National Education

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
T10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	5. covers relevant educational sectors including early childhood development, targets in particular vulnerable groups that are most at risk of ESL including people from marginalised communities, and addresses prevention, intervention and compensation measures;	The National Strategy for Reducing the early school leaving will include: <ul style="list-style-type: none"> <li>– a description of the measures at all territorial levels,</li> <li>– a description of the adequate measures for each the relevant educational sectors, targeting the main categories of people in risk of ESL and the statistical sizing on medium term,</li> <li>– a prioritisation of interventions taking into account different categories of persons and associated risk factors.</li> </ul>	31.07.2014	Ministry of National Education
T10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.	6. involves all policy sectors and stakeholders that are relevant to addressing ESL.	The strategy will have: <ul style="list-style-type: none"> <li>– a dedicated chapter regarding the partnership framework and the consultation with the main stakeholders</li> <li>– an integrated, nationally coordinated approach between different sectoral policies/existing initiatives aimed at children and young people.</li> </ul>	31.07.2014	Ministry of National Education
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	7. encourage the development of "transversal skills", including entrepreneurship in relevant higher education programmes;	Based on the evaluation of the extent to which the higher education programs help students to develop the relevant "transversal" skills necessary to obtain a job, the strategy will include measures to encourage higher education institutions to promote the	31.07.2014	Ministry of National Education

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		development of transversal and entrepreneurial skills through their programs.		
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	8. reduce gender differences in terms of academic and vocational choices.	Based on an analysis to evaluate gender balance in higher education, the strategy will include measures to address the identified problems regarding the gender imbalances.	31.07.2014	Ministry of National Education
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	1. A national or regional strategic policy framework for tertiary education is in place with the following elements:	The National Strategy of Tertiary Education is under elaboration (using World Bank technical assistance).	31.07.2014	Ministry of National Education
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	2. where necessary, measures to increase participation and attainment that:	The National Strategy of Tertiary Education will include measures to increase participation and attainment.	31.07.2014	Ministry of National Education
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	3. increase higher education participation among low income groups and other under-represented groups with special regard to disadvantaged people, including people from marginalised communities;	The National Strategy for Tertiary Education will include measures to address the under representation depending on the type/profile of people from the marginalized communities	31.07.2014	Ministry of National Education
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	4. reduce drop-out rates/improve completion rates;	The National Strategy for Tertiary Education will include an analysis on the causes of dropout/non completion of higher education.	31.07.2014	Ministry of National Education
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	5. encourage innovative content and programme design;	The National Strategy of Tertiary Education will include – an analysis based on the education programmes developed in 2007-2013 regarding the advantages and disadvantages of the current	31.07.2014	Ministry of National Education



Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		curricula in order to implement the student-centred learning and to fully exploit the potential of ICT in teaching and learning		
T10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.	6. measures to increase employability and entrepreneurship that:	The National Strategy of Tertiary Education, based on an analysis of the education programmes developed in 2007-2013, will include measures to increase employability and entrepreneurship	31.07.2014	Ministry of National Education
T11.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	1. A strategic policy framework for reinforcing a Member State's public authorities' administrative efficiency and their skills with the following elements are in place and in the process of being implemented:	<p>Ministry of Regional Development and Public Administration in cooperation with the Prime Minister's Chancellery will elaborate the Strategy for the strengthening of public administration 2014-2020, according to the following steps:</p> <ul style="list-style-type: none"> <li>– Elaboration of the intermediary draft of the Strategy, based on an analysis of the structural causes (CPM, MRDPA, NACS)</li> <li>– Collaboration and consultation with the main factors concerned and institutions responsible(MPF, MJ, MIS, the associative structures of local public administration)</li> <li>– Presentation of the draft Strategy in the Thematic Consultative Committee on Administration and Good Governance (TCCAGG) ) in order to receive observations and</li> </ul>	30.09.2014	Ministry for Regional Development and Public Administration Prime-Minister's Chancellery

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>proposals.</p> <p>Conducting an extensive consultation phase with stakeholders in order to obtain the consensus on the reforms set out in the draft Strategy and to prioritize them</p> <ul style="list-style-type: none"> <li>– Preliminary approval by the Prime Minister, by the vice-premier, the minister of Regional Development and Public Administration, the minister of European Funds, and by the Head of the Prime Minister's Chancellery of the vision and the main objectives of the Strategy.</li> <li>– Conducting the legal procedure for transparent decision tStrategy as regards the draft strategy.</li> <li>– Finalization of the draft strategy following comments and the proposals received in the consultation and decisional transparency process.</li> <li>– Presentation and validation of Strategy in the Interinstitutional Committee for the Partnership Agreement (ICPA)</li> <li>– Approval of the Strategy by Government Decision (conducting the proceedings of interministerial approval, approval by the Government of the Strategy and its publication in the Official</li> </ul>		

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		Journal)		
T11.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	2. an analysis and strategic planning of legal, organisational and/or procedural reform actions;	The fulfilment of the criterion will be achieved through the strategy for the strengthening of public administration 2014-2020.	30.09.2014	Ministry for Regional Development and Public Administration Prime-Minister's Chancellery
T11.1.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	3. the development of quality management systems;	The fulfilment of the criterion will be achieved through of some measures included in the Strategy, respectively: - The analysis of the current situation regarding the needs assessment of stakeholders and the use of the systems and tools of quality management in public authorities and institutions in Romania - Elaboration of an action plan for the development and sustainable use of quality management systems	31.03.2015	Prime-Minister's Chancellery; Ministry for Regional Development and Public Administration;
T11.1.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	4. integrated actions for simplification and rationalisation of administrative procedures;	The fulfilment of the criterion for citizens will be achieved through of some measures included in Strategy, respectively: - Analysis of the needs and goals in terms of simplification and rationalisation of administrative procedures for citizens - Elaboration an	30.09.2015	Prime-Minister's Chancellery; Ministry for Regional Development and Public Administration;

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>integrated action plan for simplification and rationalisation of administrative procedures for citizens</p> <ul style="list-style-type: none"> <li>– The development of a monitoring mechanism of administrative burden and periodic revision and completion of integrated action plan</li> </ul> <p>The fulfilment of the criterion for business will be achieved through the implementation of the Smart Regulation Strategy for 2014-2020, currently under elaboration. The Strategy will be finalized in June 2014.</p>		
T11.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	5. the development and implementation of human resources strategies and policies covering the main gaps identified in this field;	<p>The mechanisms for development and implementation of strategies and human resources policies will be defined through corresponding sections of the Strategy for the strengthening of public administration 2014-2020 and detailed/implemented further through:</p> <ul style="list-style-type: none"> <li>– elaboration of the draft strategy to develop public function for the period 2014-2020 in a coherent framework with objectives/priorities of the strategy for strengthening of public administration 2014-2020</li> <li>– Elaboration and implementation an analytical</li> </ul>	31.12.2015	<p>Ministry for Regional Development and Public Administration;  Prime-Minister's Chancellery;  National Agency of Civil Servants</p>

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>system pilot career development in public function;</p> <ul style="list-style-type: none"> <li>Development and implementation of electronic filing system for all documents in the National Agency of Civil Servants (NACS);</li> </ul> <p>Development of electronic signature system for 1,930 public authorities and institutions</p>		
T11.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	6. the development of skills at all levels of the professional hierarchy within public authorities;	The need for skills development, together with adequate prioritization processes, will be defined in the corresponding sections of the Strategy for the strengthening of public administration 2014-2020 and detailed/implemented further through the development of the draft Strategy on vocational training 2014-2020	31.12.2014	Ministry for Regional Development and Public Administration; Prime-Minister's Chancellery; National Agency of Civil Servants;
T11.1. The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration.	7. the development of procedures and tools for monitoring and evaluation.	The fulfilment of the criterion will be achieved through the Strategy for the strengthening of public administration 2014-2020. We will consider including the establishment of a National Committee for coordinating the implementation and monitoring of the Strategy for the strengthening of the public administration 2014-2020. This National Committee, responsible for the implementation and monitoring of the Strategy, will be in the coordination of the Prime-	30.09.2014	Ministry for Regional Development and Public Administration; Prime-Minister's Chancellery

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		Minister and will consist of high level representatives from the Prime-Minister's Chancellery, Ministry of Public Finances, Ministry for Regional Development and Public Administration, other line-ministries directly involved in the implementation of the Strategy.		
T07.3. Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.	1. The existence of a section on inland-waterways and maritime transport, ports, multimodal links and airport infrastructure within the transport plan or plans or framework or frameworks which:	The General Transport Master Plan (GTMP) is in an advanced stage of elaboration. The GTMP elaboration has started in April 2012, with technical assistance support.  The GTMP will include all transport modes (road, rail, water, air, and intermodality) and will include a comprehensive investment plan for transport sector until 2030.	31.07.2014	Ministry of Transport
T07.3. Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.	2. complies with legal requirements for strategic environmental assessment;	It will comply with strategic environmental assessment, that is under elaboration. A working group was set up in order to elaborate the Environmental Report.  The GTMP will contain the National Transport Model, including core and comprehensive TEN-T network, TEN-T connections at national level.  The secondary connectivity with TEN-T network is also ensured and is analysed in the GTMP.	31.07.2014	Ministry of Transport
T07.3. Other modes of transport, including inland waterways and maritime transport, ports,	3. sets out a realistic and mature project pipeline (including a timetable and budgetary framework);	The GTMP will deliver a realistic and mature pipeline of projects,	31.07.2014	Ministry of Transport

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.		including projects that will be financed by European funds. The GTMP development includes a large process for needs/interventions/projects identification, including traffic modelation and CBA. The implementation and budgetary plan will bw also part of the GTMP.		
T07.3. Other modes of transport, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN T comprehensive and core networks and to promoting sustainable regional and local mobility.	4. Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	<p>The measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline:</p> <ul style="list-style-type: none"> <li>– Organize of periodic seminars, based on a training plan for professional development that will have different topic like public procurement, FIDIC contracts, financial management, suspicions of irregularities and frauds, in order to build the capacity of the human resources involved in the managemnt of structural funds;</li> <li>– Elaboration of operational procedures for the beneficiaries, advised by the intermediary body and approved by the Managing Authority that will cover the conduct of public procurement procedures, authorization of reimbursements generated by project implementation, identification of suspicions of irregularities and/or frauds, project monitoring (technical and financial), identification of conflict of interest,</li> </ul>	30.09.2014	Ministry of Transport

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>an other areas that involve the implementation of projects financed from structural funds;</p> <ul style="list-style-type: none"> <li>- Approval of organizational structures and of organization and functioning regulation at beneficiaries level in order to ensure the fulfilment of essential functions needed for project implementation. For example: evaluation function, monitoring function, implementation function, control risk identification function;</li> <li>- Establishment of some control structures at the intermediary body level that will verify how the implementation of the operational procedures at beneficiaries level is made, in order to build the control and management system of the program.</li> </ul>		
T08.6. YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	1. A strategic policy framework for promoting youth employment is in place that:	Currently there are individual data bases which comprise these information such as PES data base, Ministry of National Education database, Ministry of Regional Development and Public Administration database	31.03.2015	National Agency for Employment
T08.6. YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	2. is based on evidence that measures the results for young people not in employment, education or training and that represents a base to develop targeted policies and monitor developments;	- Creating an integrated data base dedicated to young people from NEET category which should include information received from the 26 youth guarantee centres ,	31.03.2015	National Agency for Employment



Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>from Ministry of National Education, Ministry of Regional Development and Public Administration through the department for persons record and data management</p> <ul style="list-style-type: none"> <li>o Signing an agreement between the institutions responsible with information exchange to young people from NEET category</li> <li>o Developing the information system targeting young people from NEET category</li> <li>-o Periodically monitoring the evolution of NEETs in PES records (quarterly, annually) in correlation with the database of the Ministry of National Education and the Ministry of Regional Development and Public Administration, in order to analyse the causes of NEETs unemployment</li> </ul>		
T08.6. YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	4. involves stakeholders that are relevant for addressing youth unemployment;	<p>– Involvement of youth in updating and implementing the scheme through the Ministry of Youth and Sports</p> <p>NB. Youth organizations are to be involved in the monitoring and evaluation of interventions financed under the dedicated Priority axis within the Human Capital</p>	31.12.2014	<p>Ministry of Labour, Family, Social Protection and Elderly</p> <p>Ministry of European Funds</p>

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		Operational Programme (programme level), including the interventions funded through Youth Employment Initiative (after the approval of HCOP)		
T08.6. YEI: The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee.	5. allows early intervention and activation;	<ul style="list-style-type: none"> <li>Information and professional counselling services are to be provided in schools, in collaboration with local school inspectorates, in accordance with the managerial performance contract signed between PES and MoLFSPE for 2014</li> <li>Early intervention and activation measures are to be provided through the 26 youth guarantee centres established at national level by the two pilot projects (financed through HRD OP 2007-2013).</li> </ul>	21.12.2015	Ministry of Labour, Family, Social Protection and Elderly
T10.4. The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU.	1. A national or regional strategic policy framework is in place for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU which includes measures for the following:	The national strategic policy framework for increasing the quality and efficiency of VET systems will be developed within the framework of National Strategy of Lifelong Learning.	31.08.2014	Ministry of National Education
T10.4. The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU.	2. to improve the labour market relevance of VET systems in close cooperation with relevant stakeholders including through mechanisms for skills anticipation, adaptation of curricula and the strengthening of work-based learning provision in its different forms;	The national strategic framework includes measures for skills anticipation, work-based learning, adaptation of curricula, aiming at improving the labour market relevance of VET systems, in close partnership with relevant	31.08.2014	Ministry of National Education

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		stakeholders.		
T10.4. The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU.	3. to increase the quality and attractiveness of VET including through establishing a national approach for quality assurance for VET (for example in line with the European Quality Assurance Reference Framework for Vocational Education and Training) and implementing the transparency and recognition tools, for example European Credit system for Vocational Education and Training. (ECVET).	The national strategic framework will establish a national mechanism in order to ensure VET quality system and a continuous assessment of it.  Based on this assessment, the recognition tools will be transparently implemented.	31.08.2014	Ministry of National Education
T10.3. Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	1. A national or regional strategic policy framework for lifelong learning is in place that contains measures:	The National Strategy of Lifelong Learning is under elaboration (using World Bank technical assistance).	31.08.2014	Ministry of National Education
T10.3. Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	2. to support the developing and linking services for LL, including their implementation and skills upgrading (i.e. validation, guidance, education and training) and providing for the involvement of, and partnership with relevant stakeholders ;	The final draft of the National Strategy of Lifelong Learning will include: – a description of the manner in which the lifelong learning methods will be integrated/applicable at national level – a dedicated chapter regarding the partnership framework and the consultation with the main stakeholders.	31.08.2014	Ministry of National Education
T10.3. Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	3. for the provision of skills development for various target groups where these are identified as priorities in national or regional strategic policy frameworks (for example young people in vocational training, adults, parents returning to the	The National Strategy of Lifelong Learning, based on an analysis of the relevant statistical data regarding the target groups identified as a priority and a	31.08.2014	Ministry of National Education

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
	labour market, low skilled and older workers, migrants and other disadvantaged groups, in particular people with disabilities);	prioritization of them, will include measures for skills development in correlation with the LL appropriate interventions.  The measures will be in correlation with different strategy in the field of employment, education and vocational training.		
T10.3. Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	4. to widen access to LL including through efforts to effectively implement transparency tools (for example the European Qualifications Framework, National Qualifications Framework, European Credit system for Vocational Education and Training, European Quality Assurance in Vocational Education and Training);	The National Strategy of Lifelong Learning, based on a prioritization of the necessary specific interventions, will include measures required for opening the educational institutions for the under-represented groups and for the implementation of transparency tools.	31.08.2014	Ministry of National Education
T10.3. Lifelong learning (LL): The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU.	5. to improve the labour market relevance of education and training and to adapt it to the needs of identified target groups (for example young people in vocational training, adults, parents returning to the labour market, low-skilled and older workers, migrants and other disadvantaged groups, in particular people with disabilities).	The National Strategy of Lifelong Learning will include integrated tailored measures foreseen in order to ensure the coordination labour market needs and education and training systems.	31.08.2014	Ministry of National Education
T07.4. Development of smart energy distribution, storage and transmission systems.	1. Comprehensive plans describing the national energy infrastructure priorities are in place that are:	The electricity sector - The Perspective Plan Energy Transmission Network for the period 2010-2014 and guidance for 2019 (published on the TSO's webpage <a href="http://www.transselectrica.ro/plan-perspectiva">http://www.transselectrica.ro/plan-perspectiva</a> ).  The further Perspective Plan - The Perspective Plan Energy	22.12.2014	General Government Secretariat (owner of Transmission System Operators) Department for Energy; National Authority for Energy Regulation (NAER)/

Applicable thematic/Fund-specific ex-ante conditionalities at national level and which are unfulfilled or partially fulfilled	Criteria not fulfilled	Actions to be taken	Deadline (date)	Bodies responsible for fulfilment
		<p>Transmission Network for the period 2014-2023 - is under public consultation and was sent to NAER for approval.  <a href="http://www.transelectrica.ro/documents/10179/507248/Planul+de+dezvoltare+a+RET+proiect.pdf/5691a4ec-72b0-4061-8ab1-4dbc2886c8aa">http://www.transelectrica.ro/documents/10179/507248/Planul+de+dezvoltare+a+RET+proiect.pdf/5691a4ec-72b0-4061-8ab1-4dbc2886c8aa</a></p> <p>The natural gas sector –The draft Ten Year Network Development Plan was sent to NAER.NAER will launch the public consultation process and afterwards approve the plan.</p>		
T07.4. Development of smart energy distribution, storage and transmission systems.	5. Those plans shall contain: a realistic and mature project pipeline for projects for which support from the ERDF is envisaged;	The Perspective Plan contains 10-year grid development projects, including annual cost estimates, considering the law on obtaining approvals and permits, and funding sources.	22.12.2014	Transmission System Operators Department for Energy National Authority for Energy Regulation (NAER)/

(iii) Additional information relevant to the assessment of the fulfilment of applicable ex-ante conditionalities and the actions to be taken to fulfil them.

1005. Since several ex-ante conditionalities will not be met at the start of the programming period, the strategic policy lines presented in the Partnership Agreement already anticipate and reflect the strategic orientations and they will be fully reflected and detailed in the on-going strategies and studies.

1006. Ministry of European Funds has established a mechanism for monitoring the implementation of the action plans for fulfilment of the ex-ante conditionalities on a monthly basis, in order to early detect bottlenecks or risks of delays. Monthly reports will be presented in the Government meetings together with proposed corrective measures, as necessary.

1007. Chancellery of the Prime Minister and Ministry of Regional Development and Public Administration will support, through strategic projects, ministries responsible for ex-ante conditionalities to develop their administrative capacity to implement, monitor and evaluate the actions / measures contained in the strategies.

1008. Additional information concerning actions taken in order to fulfil general ex-ante conditionalities is contained in the annex regarding summary on general ex-ante conditionalities

#### **2.4. The methodology and mechanism to ensure consistency in the functioning of the performance framework in accordance with Article 21 of the CPR**

1009. The “performance framework” is as a tool to stimulate the effective delivery of operational programmes in attaining the results planned by applying the mechanism of rewarding the progress towards the achievement of programme objectives (through allocation of performance reserve) and amending the failure in effective use of EU funds (through financial correction at the end of programming period).

1010. Performance framework tables are developed for each OP, except for Operational Programme Technical Assistance, and they establish a set of indicators, milestones and targets that will be used to measure the progress towards the achievement of programme objectives.

1011. *The configuration of the performance frameworks (PFs) includes several stages, including selection of indicators, and setting milestones for 2018 and targets for 2023.*

1012. The development of the performance framework is based on an institutional partnership by working closely with the Managing Authorities.

1013. The development of the PFs is done in accordance with the ESI specific fund regulations (including EAFRD and EMFF), the Implementation Act regulating the application of art.22 of the CPR regarding the application of performance framework, as well as the relevant EU guidelines developed in the field.

1014.The main responsible body in designing the conceptual framework for selecting appropriate suite of indicators and setting targets is the MEF – DG APE, in collaboration with the ex-ante evaluators.

1015.The coherence approach in planning the performance framework is assured through a Performance Assessment Functional Working Group (*Level 3 - PAFWG*), bringing together experts from all the MAs, covering all the funds.

1016.During the OP preparations the PAFWG will meet regularly with the aim to examine and to ensure the consistency in the selection of indicators and setting of milestones and targets across different operational programmes and across different priorities. The suite of indicators in the performance framework will derive among the indicators already defined at the level of operational programmes, common and specific programme indicators. Considering the indicators measurability and availability of data in the reporting period, key implementation steps will be defined where necessary. In order to include a limited number of indicators in the performance framework it is necessary to identify those indicators that can be used for monitoring the progress of multiple investment priorities. In this respect, to the extent possible the list of indicators recommended for all the operational programmes and the key implementation steps will be harmonised with the support of the ex-ante evaluations.

1017.As regard EAFRD the methodology for the performance framework will be in compliance with the fund specific rules, the mandatory common indicators provided by the Commission, as well as the NRDP indicators plan, setting up the targets and milestones for the performance framework. In this respect a pre- defined list of 20 common performance indicators (financial and output indicators) derived from the Indicators Plan and applied at priority level will be used.

1018.An important element of the planning process of performance framework is linked with the identification of realistic targets and milestones. The *ex ante* evaluation for programmes funded by ERDF, ESF and CF will support the process by providing methodological proposals for each programme and advising on the selection of appropriate milestones and targets.

1019.During the preparation of the operational programmes, the Ministry of European Funds, through the DG APE, will ensure the continuous assessment of the consistency for the preparation of performance framework across similar priorities based on the examination of the ex-ante evaluators as regard the selection of appropriate indicators, setting milestones and targets across programmes and priorities.

1020.The establishment of the best forecast of the values of the milestones and targets will be based among others on the analysis of the experience of the 2007-2013 interventions based on the historical data available in the monitoring systems and evaluations; benchmarking against other member states interventions (if relevant); surveys on methodologies of setting targets, and the plausibility checks for each sector with competent experts in the field.

1021.Details on the selection of indicators and justification of the values identified for the milestones and targets will be included in each operational programme document.

1022.The effectiveness of the PFs application depends as well on the *ongoing monitoring of the progress*, assessments and follow up remedial actions when needed. The tracking of the progress against the milestones and targets set will be part of the general monitoring system of the operational programmes and ESI funds. The data collection and aggregation will be assured through the electronic data exchange systems (see chapter 4).

1023.Recognising that 2018 is a late reference date for remedial measures to be implemented in order to rectify a possible failure in 2023, a forecasting tool will be developed for the indicators included in the performance framework, whenever possible, based on experience gained and using, at least for the first years of implementation, datasets related to the 2007-2013 programming period. If significant differences appear between forecasted values and the milestones and targets of the performance framework, an *ad hoc* evaluation will be triggered to identify the causes and issue recommendations for their alleviation. Each MA will be responsible for the use of the tool, to identify the problems and take remedial actions. The instrument is applicable for the programmes funded from ERDF, CF and ESF.

1024.The progress on the PFs indicators will be reported annually in the Annual Implementation Reports. Self-assessment of the progress in achieving the targets will be presented twice a year to the OP Monitoring Committee and to the PA Steering Committee. The MFE will provide assistance in monitoring of performance framework through a dedicated Functional Working Group (FWG) composed of the representatives of all MAs (see chapter 2.1). The FWG will analyse and debate the state of implementation, the solutions to the problems identified, the implementation of the recommendations and follow-up actions to overcome possible delays in achieving the targets.

**2.5. An assessment of whether there is a need to reinforce the administrative capacity of the authorities involved in the management and control of the programmes and, where appropriate, of beneficiaries, as well as, where necessary, a summary of the actions to be taken for that purpose**

**Assessment of the needs for reinforcing the administrative capacity of the authorities and beneficiaries**

1025.Since April 2011 the Romanian Government has been implementing the Priority Action Plan for increasing the capacity to absorb Structural and Cohesion funds (PAP), whose overall objective is to address the problems and deficiencies that affect the most the implementation process of structural and cohesion funds aiming at removing or reducing significantly of the obstacles to absorption.

1026.With the view to secure the absorption objectives and to prepare the future programming period, the PAP is under revision in order to include other measures that are targeted for both programming periods with a focus on strengthening the administrative capacity of the public authorities responsible with EU funds management, the project implementation assistance for beneficiaries, and the preparation of institutional architecture for the management and implementation of European Structural and Investments Funds 2014-2020. The Plan will be submitted to the EC in the third



quarter 2014. Also, the measures listed in the present chapter are framed within dedicated action plan, with clear milestones and deadlines.

1027. The main needs for improving the administrative capacity of the authorities and beneficiaries were based on the conclusions of an assessment performed on the administrative capacity of the institutions with responsibilities in the management of CSF funds which are presented in summary below and that refers both to the authorities responsible with the management of European funds and beneficiaries.

### **Main weaknesses in the administrative capacity of the authorities**

#### *1. Low authority of the management and coordinating bodies and low stability of structures and overall framework*

1028. For the 2007-2013 programming period, the institutional setup, the allocation of responsibilities, and the establishment of the internal rules comply with the requirements of the regulations, but **the proper functioning of the institutions and of the whole system is a key issue.**

1029. The experience of the current programming period indicates **a rather low authority of the management and coordinating bodies, and a low stability of the organisations' structures and of the overall framework.** The coordinating bodies (e.g. ACIS) and a number of the MAs have not proved sufficient authority to ensure consistent approaches, simple and coherent procedures, the avoidance of overlaps of responsibilities, and the effective implementation of action plans across institutions in order to resolve the key problems.

1030. Inter-institutional cooperation represented a major bottleneck against a smooth implementation of the operational programmes.

#### *2. Adequate HR policy and practices*

1031. A significant number of organisations in the system had **difficulties in ensuring the adequate human resources both quantitatively and qualitatively.** The austerity measures undertaken in 2010 blocked the resourcing that was required by the volume of work and the increasing number of contracts in implementation. The significant salaries cuts in the whole public system generated a high turnover, high vacancy rates and resultant increased workloads on the existing staff.

#### *3. Professional ethics for staff involved in the management of European funds*

1032. The occurrence of irregularities, some of which were of a systemic nature, and mainly in the public procurement processes, required urgent measures to be imposed to **strengthen the management and control systems especially in what concerns the ethics rules, notably on conflict of interests and the departure of the staff to private sector. The mechanisms for anti-fraud and anti-corruption prevention and mitigation were not at the expected level of effectiveness.** The legal base which regulates these aspects is the GO 66/2011, art.13, align 1, although it remains poorly applicable, in the absence of effective monitoring mechanisms.

1033.Following the analyses for the improvement of the legal basis dealing with the prevention and detection of irregularities, the provisions of art.13, align 1 were proposed to be modified in the sense that the interdiction for the civil servant involved in the evaluation of the applications to be contracted by the beneficiaries was extended for the entire duration of the project implementation.

1034.Related to the monitoring of the conflict of interests in the public procurement process, the MAs monitor this issue when verifying the tender dossiers, prior to the reimbursement. This process is due to be more efficient after the implementation by the National Integrity Agency (ANI) of the IT system for the prevention of conflicts of interest in public procurement, which will provide the structures with early warnings about irregularities in the public procurement procedures.

1035.Moreover, in the context of the Action Plan for the implementation of the National Anticorruption Strategy 2012-2015, the Ministry of European Funds is reporting (at the end of each semester) to the Ministry of Justice the status of putting in practice the provisions of the Code of conduct for avoiding the incompatibilities and conflicts of interest by the staff involved in the management of the programmes financed from non-reimbursable European funds (approved by the Government in December 2011).

1036.MEF is monitoring the way in which the Code of conduct is applied at the level of the entire system for the management of Structural Instruments, including the managing authorities and intermediate bodies for the seven operational programmes under the Convergence Objective, the managing/ national authorities for the programmes under the European Territorial Cooperation Objective, the Certifying and Paying Authority as well as the coordinating structures from MEF. The monitoring mechanism initiated by MEF needs further development, especially regarding the cooperation with ANI, in order to allow the managing authorities and MEF find out about the existence of the complaints received by ANI and the solutions given, related to the staff involved in the management of SI, so that corrective, effective measures can be taken in due time.

1037.Taking into consideration the recommendations of the General Directorate for Regional and Urban Policy, ref. Ares(2013)3769073-19.12.2013, chapter 4.1. of the Guidance Note on fraud risk assessment and effective and proportionate anti-fraud measures, at the level of the Managing Authority for NRDP, the administrative procedures for the setting up of an working group in charge with the implementation of the provisions of art. 125 alin. 4 (c) of EU Regulation no. 1303/ 2013 have been initiated.

1038.Ministry of European Funds has already started the consultations with the managing authorities in order to implement the system that will put in place procedures for detecting frauds. Based on the EC recommendations comprised in Guidance note on fraud risk assessment and effective and proportionate anti-fraud measures and MAs proposals, a plan with proportional anti-fraud measures will be developed in order to be followed and implemented by the MAs.

1039.According to these guidelines, the following measures will be implemented at the level of MAs:

- a) Perform periodic check fraud risk using a risk assessment team;

- b) Establish an efficient and effective anti-fraud policies and a fraud response plan;
- c) Ensuring that staff is aware of the types of fraud by disseminating evaluation reports and / or the imposition of dedicated themes in the training courses;
- d) Reporting of cases detected, consisting of communication with competent investigation bodies to trigger prompt investigations when there are suspicions of fraud;

Prompt review procedures in all cases of suspected fraud or fraud done.

#### *4. Heavy and birocratic implementation system*

1040. The system for implementing the operational programmes in 2007-2013 could be defined as an overregulated system, characterised by (i) excessively complicated administrative procedures and multiple changes of the procedural framework, (ii) long administrative deadlines, compounded by inconsistencies in terminology, difficulties in communication with applicants/beneficiaries, (iii) unjustified differences of implementation (procedures, guidelines) in the Managing Authorities.

1041. The complicated and unclear procedures, inconsistency in the different programs (e.g. SOP Environment and ROP) – in respect of sequence of interventions/actions that have to be followed, the lack of predictability and stability in legal and administrative environment lead to an excessive bureaucracy and high administrative burden has slowed down and even blocked the processes, mainly at the expense of the beneficiaries.

#### **Main weaknesses in the administrative capacity of the beneficiaries**

1042. Reference to the difficulties stemming from the legal uncertainty, filed by inconsistent approach and guidelines between managing authorities, audit authorities and procurement institutions. They also suffer from the imposition of bureaucratic procedures from managing authorities (complex guide for applicants, excessive justification required for payment claims, disproportionate reporting obligations)

#### **• Identification and preparation of projects/applications capacity**

1043. The programming period 2007-2013 was **a challenge for the beneficiaries**, due the new rules that were significantly different than those applied for the pre-accession period, the larger sizes of the projects, and due to the fact that in some cases involvement of the same entity in more projects. Nevertheless, the level of performance of the operational programmes and individual projects indicate the need for improvements in all types of beneficiaries.

1044. However, a series of actions for capacity building were taken, including the **creation and strengthening of dedicated units** for project development and implementation, development of competences through formal training and through learning by doing. In the case of private beneficiaries, who are accessing funds for their own businesses the capacity for project development and implementation relies mostly on outsourcing the services to consultancy companies.

- **Project implementation capacity**

1045. **Public procurement, project management skills**, continues to be a need for improvement. Evaluations have indicated **limited technical capacity** in specific areas and a **low quality of the technical documentation** mainly for infrastructure projects. There have also been indicated **staffing difficulties, shortages of skills, project managers or consultants** in the case of specific beneficiaries or specific sectors, (e.g. public administration in smaller localities and rural areas or specific sectors which have benefitted less from public investments in the past, such as waste management).

- **Co-financing capacity**

1046. An important factor influencing the implementation of EU funded projects and the absorption capacity is the limited capacity of the beneficiaries to mobilise financial resources for co-financing and the cash-flow, but also financial corrections. The beneficiaries encountered additional difficulties due to, heavy access to pre-financing, bank loans and changing loan conditions between the application and the contracting date, corroborated with delays in reimbursement. ***The limited capacity to mobilise the financial resources was a key issue and risk factor for programmes performance.***

**National response to address weaknesses in the capacity of authorities and beneficiaries based on the lessons learned from 2007-2013**

***Redesign of the institutional framework strengthening the management and coordination functions***

1047. The redesign of the institutional framework aims at strengthening the management and coordination function. A centralisation process has already started with the creation of the Ministry of European Funds, a structure dedicated to the coordination of the implementation system, with sufficient power over the structures involved in the management of European funds located in other ministries, thus observing full ownership of the relevant line ministries and governmental agencies during implementation.

1048. The 2014-2020 Romanian institutional frameworks will concentrate the function of operational programmes management functions in three core line ministries that have already demonstrated good administrative capacity: the Ministry of Regional Development and Public Administration; the Ministry of Agriculture and Rural Development; and the Ministry of European Funds.

1049. In applying the provisions of the new EC Regulations, all MAs will take the appropriate measures to run with the same, modernised, performance based, management principles.

1050. The need for a new architecture was deemed by the weaknesses resulted from the administrative capacity assessment and other difficulties encountered during programming period 2007-2013, mainly due to low efficiency and effectiveness of the previous system, less than fully satisfactory methodological environment, lack of accountability and initiative at the institutional level.

1051. With a centralized approach, Romanian authorities expect benefits both in terms of management and overall coordination, some of them being listed below:

- Better coordination of funds through unitary management decision over programming/implementation of the funds. Under current programming period overall coordination of the funds has been provided at national level by MEF; still, at detailed level there have been different approaches from one Managing Authority to another leading in certain cases to significant discrepancies. For the next programming period, better coordination it is expected while decision chain is shorter under single management and over various sectors inter-correlated.
- Synergy: Structures will not be replicated many times, for each Managing Authorities. Thus, while some units will be dedicated to each MA, it is envisaged common structures will perform some of Managing Authorities tasks.
- Shorter administrative deadlines.
- A unitary approach for implementation with standardized and comprehensive rules.
- The Ministry of European Funds was built on the previous structures for coordination (former ACIS) and implementation (former AM EX-ISPA) benefiting from experience and expertise of the personnel employed which ensure the efficient and effective management and coordination, mainly in terms of programming and projects selection.
- Improved quality assurance is expected while experience from various operational programmes can be easily transferred throughout organization as lessons learned.

1052. After the takeover of the two structures (MA for IEC OP and MA DHR OP) at the level of MEF, the new organisational structure will include: 4 MA for each of the OP managed by MEF, 1 structure for coordination system, 1 unit dealing with monitoring of the OPs implemented by other MAs (outside MEF). In the new structure all four AMs will be supported by horizontal functions: directorate for financial management, directorate for verifying, detecting and recovery of debts (aiming to treat unitary all the case of financial correction, analysing and monitoring the cases of financial correction, summary reporting of irregularities, focusing on preventive function as well) HR and Economic department, IT and SMIS department. In addition, besides this reorganisation, a new legal framework will be put in place which will set up the functions and responsibilities of all actors involved in the management and control system, aiming to clearly address the accountability of each institution and the way they interact with each other. The legal act will strengthen the role and coordination function of MEF.

1053. In the new organisational structure of MEF, the coordination function will be reinforced; the existing coordination function will be merged with the programming and evaluation function in order to better address the role of coordinator of MEF for ESIF 2014-2020, also resulting from the preparation, implementation and monitoring of Partnership Agreement.

1054. This new integrated approach increase the: methodological and procedural coordination, coordination of ESIF public procurement (legislative coordination, help

desk for beneficiaries, standardize documentation, guidelines on public procurement) and assure proper monitoring and evaluation of programming and implementation documents.

1055.The Ministry of European Funds will accommodate the MAs for a number of OPs for which management and coordination strengthening has proved to be needed (competitiveness, human capital and infrastructure). The Ministry will also be responsible for the coordination of the system for the management and implementation of ESI Funds; the line-ministries continue to be in charge with the policy areas.

1056.A new measure proposed is to create an Unit at the level of MEF that will have the task to perform based on an unitary approach for all the cases regarding financial correction and irregularities. The role of this unit will be to analyse and monitor the cases of financial correction and to implement unitary approach for all operational programs managed by MEF. The Managing Authority will further remain responsible for applying the proportionate financial corrections required in connection with individual or system irregularities detected in operations or operational programmes. This centralised unit which will ensure a unitary approach for irregularities and financial corrections should not undermine the responsibility and empowerment of managing authorities, responsible for 1st level management verifications. This Unit will collaborate with the management authority for NPRD, in order to achieve a unitary approach, where applicable, between the structural and cohesion funds and 2nd pillar of the Common Agriculture Policy.

1057.The Ministry of European Funds is designated as Managing Authority for Competitiveness Operational Programme and also for Human Capital Operational Programme.

1058.For Competitiveness Operational Programme and for Human Capital Operational Programme, the current IBs will remain operational, as in 2007-2013 period.

1059.A smooth transition is envisaged, the system being built on the same accredited structures maintaining the personnel and expertise. In order to keep the expertise accumulated, and to avoid the duplication of system, a first strategic measure taken by MEF was to take over the MA for Competitiveness and Human Capital (EGO 9/2014 ) starting with the current programming period (meaning to take over the structure with afferent staff). These two integrated structure maintain their responsibilities and receive new tasks for 2014-2020 period. For 2014-2020 the MA for Human Capital will also be responsible with the implementation of FEAD.

1060.For 2014-2020 MEF will take over the function of MA for transport, environment and energy sector. For transport and environment the Managing Authority will work with sectoral line ministries, Ministry of Transport and Ministry of Environment and Climate Change as Intermediate Bodies, which maintain the expertise accumulated so far and being responsible for implementation of their specific policy.

1061.For energy sector the current IB will perform the same task so the expertise is maintained.

1062.Ministry of Regional Development and Public Administration will perform the tasks of Managing Authority for Regional, Administrative Capacity and European

Territorial Cooperation programmes and will encourage a clear accountability of the actual Regional Development Agencies acting further as IB with a high level of expertise in terms of personnel.

1063.The Ministry of Agriculture and Rural Development will remain responsible for the implementation of National Rural Development Programme and for the mechanism of direct payments, as well as for Operational Programme for Fisheries and Maritime Affairs.

1064.For NRDP 2014-2020, the following bodies will be maintained in order to preserve the existing expertise – Payment Agency for Rural Development and Fisheries, Payment and Intervention Agency for Agriculture, Certification Body, Directorate for Coordination of Paying Agencies, Competent Authority.

1065.Audit Authority, the same entity, respectively Audit Authority within Romanian Court of Accounts will be maintained to perform de audit function in 2014-2020 period.

1066.The Certifying Authority within the Ministry of Public Finance will continue to be responsible for certifying the expenditure in 2014-2020. For ETC programmes where Ministry of Regional Development and Public Administration is Managing Authority, the certification function is within the same MA observing the segregation of functions.

***A horizontal policy for human resources involved in the management of the EU funds and support for introduction of effective HR practices***

1067.The human resources play an important role in building an efficient system for the management of European funds. A shift from a competences and process based approach to a **“results based” performance management one is needed to better orient efforts toward the OPs performance targets.** The new approach will be to implement training modules on horizontal level and in an integrated manner to reinforce the capacity and the skills of the personnel.

1068.The training function has to ensure **the continuous development of the staff** in all areas and **in specific interventions for the critical areas expertise identified**, e.g. state aid, environment regulations, risk management, internal audit, public procurement, financial management and control, EU and national legislation and management skills.

1069.The World Bank will assist the MoEF in developing a performance appraisal system for individual job functions. The indicators will include a list of both qualitative and quantitative indicators for job functions including targets to measure performance and will cascade from overall objectives for these institutions and results indicators for the OPs defined by the GoR.

1070.At the end of 2013, the Government of Romania adopted the decision that the staff from Managing Authorities to have the same salaries as those of the Ministry of European Funds staff, this measure aiming to lead to an equitable remuneration system. MEF intends to do in 2014 the same for Intermediate Bodies.

1071. These two measures are aimed to prevent the staff turnover and to limit more effectively staff departure to private sector, and to better implement ethic rules and avoidance of conflict of interest.

1072. The TA will be used to support the effective implementation of the HR policy including creation of the capacity, development of the tools and implementation. The measures will be coherent with and enhanced by the interventions undertaken within the entire public administration system to improve the administrative capacity, and management system regarding the ethic rules, conflict of interest.

1073. The TA will be also used for ensuring the necessary independent expertise where needed.

***Benefits for the managing authorities from the implementation of administrative capacity action***

1074. The above mentioned actions will produce genuine benefits for the managing authorities.

1075. Primarily, the reinforced coordination mechanism is generating clear objectives at the level of the whole ESIF system to be followed by each managing authority. In addition, the managing authorities will benefit by a stronger help desk function (namely the functional working groups included in Section 2.1) which will assist them in operationalization of these objectives through harmonisation of approaches, guidance and capacity building in each identified field.

1076. As a result of the setting up of the equitable remuneration system, a higher motivation of the personnel will certainly contribute to a reduction of staff turnover in the MAs and a higher quality of human resources in these structures. The staff motivation will be further strengthened once the appraisal performance system for individual job functions will be in place.

1077. Managing authorities will also take advantage from actions aiming at reduction of administrative burden on beneficiaries, introduction of simplified cost options and global grants and electronic exchange of information. The main benefit is the reduction of the workload inside the managing and control systems allowing a more focus on results to be achieved and reduced efforts dissipated on heavy and bureaucratic procedures.

***More efficient systems and tools at all levels of implementation***

1078. Implementation system will be streamlined including the reduction of the administrative burden on the European Structural and Investment Funds beneficiaries, according to the results of an evaluation, that is currently in implementation.. The application of the options for simplified costs and setting up of global grants are also envisaged to be utilised whenever appropriate, especially in the case of ESF, mainly for employment, training and social inclusion. Preparations are on-going for moving towards a paperless system for exchange of information between authorities and also between authorities and beneficiaries. Simplification is also expected following the implementation of the World Bank recommendations included in the study regarding



„Improving the National Framework for Preparing and Implementing Public Investment Projects”.

1079.Revision of the mechanisms and further development of tools aimed at ensuring increase of transparency and avoidance of conflicts of interests in the implementation of operational programmes is underway.

1080.The regulations for the 2014-2020 programming period offer greater flexibility for managing authorities when designing programmes, both to choose between delivering investments through grants and financial instruments, and to select the most suitable financial instrument.

1081.Romania considers the use of tailor made financial instruments following an ex ante assessment which will be performed in order to identify the financing needs of the beneficiaries the amount of funding, the most appropriate financial products corresponding to each type beneficiary.

1082.Based on the good practice cases implemented in the pre-accession period, Romania considers the opportunity to involve the financial institution within the management of ESI Funds by allocation of well-defined tasks and based on performance contracts.

***More effective technical assistance and financial support for beneficiaries in parallel with a reduction in administrative burden***

1083.Among the envisaged measures of the PAP are a number of initiatives dedicated to address the weaknesses outlined by the assessment of the beneficiaries' capacity. Among them, are the following:

- Elaboration of a comprehensive guide of good practices and avoidance of the main risks in public procurement, under the authority of ANRMAP
- Continuation of the process for standardisation of procurement documents
- Implementation of annual training programmes for EU Funds beneficiaries, staff in management system and members of Monitoring Committees
- Assure common set of guidances and interpretations, through regular coordination mechanisms between managing authorities, MEF, audit authorities and procurement bodies
- Effective use of the instruments encouraged by the regulation for larger outreach of funds and closer to final beneficiaries needs - global grants, results-based approach
- Clear procedures / instruments for ethical rules, anti-fraud and anti-corruption measures

1084.In present, a collaboration Protocol is force with National Agency for Integrity, any allegation referred by Managing Authorities being solved with priority.

1085. Medium and long-term mechanism is comprehensive and will provide the National Agency for Integrity with the competencies needed in order to verify the conflict of interest for all awarding procedures, the public procurement contracts and implementation and operationalization of an integrated information system in order to prevent and detect potential conflicts of interest, which will be developed, managed and administered by the National Integrity Agency. The integrated information system will process data and information so that National Agency for Integrity will issue integrity warnings to all involved stakeholders, while ensuring monitoring of their implementation, in order to prevent conflicts of interest, without blocking procurement procedures and without affect project management. Relevant data and information from the integrated information system will be available for the institutions with verification responsibilities (National Authority for Regulating and Monitoring Public Procurement, Central Unit for Coordination and Verification of Public Procurement, Fight Against Fraud Department, etc.).

1086. In terms of financial resources, it should be noted that a new financial support mechanism has been introduced allowing for the reimbursement to be made directly to the provider of the invoiced expenditures. An evaluation of the pre-financing mechanism has also taken place proposing an optimised scheme for the use of pre-financing per type of beneficiary and type of projects that will be considered for the next programming period.

1087. Another positive measure was to increase the buffer fund threshold at 4 billion lei, aspect agreed also by IMF, which is not counted in the deficit and can be run by treasury in shortage of funds.

## **2.6. A summary of the actions planned in the programmes, including an indicative timetable, for achievement of a reduction in the administrative burden for beneficiaries**

1088. The simplification and improvement of the legislation in order to support the business environment and reducing administrative costs are important priorities for Romanian Government. Ministry of European Fund is also acting for reducing the administrative burden due to the additional administrative work and costs necessary for the beneficiaries to receive and use ESI funds.

1089. During the last period of time measures for reduction the administrative burden on beneficiaries, with great impact on the increasing of absorption, have already taken, such as:

- setting clear timeframe, 20 days, for processing payment claims;
- establishment of a settlement mechanism of payment claims for all project beneficiaries, that allows the direct settlement of invoices from suppliers of funds allocated from the State Treasury;
- elimination of the artificial constraints imposed for purchases made by private sector beneficiaries;
- elaboration of a Guide on the main risks identified in public procurement.

1090. This approach will continue in the financial perspective 2014-2020. The first step was the setting-up of the new institutional framework for the programming period 2014-2020, for ensuring a better coordination of funds through unitary management decision over programming/implementation of the funds by applying more simple and clear rules.

1091. In the study “Measuring the impact of changing regulatory requirements to administrative cost and administrative burden of managing EU Structural Funds (ERDF and Cohesion Funds)” EC have analysed the administrative burden for the various types of funded actions for the EU27 in 2007-2013 as well as the impact of the legislative changes of the regulatory framework for the next period of programming 2014-2020. This analysis was based on interviews and in depth case studies carried out for 22 operational programs in 10 Member States, including Romania. This selection covered all three different types of implementation systems (centralized, regionalized, mixed) and provides a good balance between old and new Member States. Two operational programs were selected for each Member State balancing different factors which have been identified as crucial i.e. financial volume, thematic orientation and geographical coverage. From Romania 2 large sectoral programs, Environment and Transport OPs, were considered.

1092. Taking into account that the above mentioned study covered only two Romanian Ops and given the Romanian determination for reducing administrative burden on beneficiaries, Ministry of European Funds contracted an evaluation study for analysing the administrative burden on beneficiaries of Structural and Investment Funds. The study has as first assignment identifying information obligations of the beneficiaries of structural and cohesion funds and of the EU Common Agricultural Policy due to the application of European legislation at national level and the administrative activities to be undertaken to meet these obligations.

1093. Based on this analysis, administrative costs should be calculated, but the calculation will be based on a simplified methodology (using mainly the time parameter), and will be focused on administrative costs for private beneficiaries of structural funds, given that the main purpose is to identify measures to reduce the administrative burden.

1094. Evaluators should make a selection of the most burdensome information obligations based both on the size of administrative tasks to be undertaken and on the perceptions of interviewed beneficiaries. The analysis will be performed taking into account the financial size of projects and the types of contracts and expenses (works, supplies, services, etc.).

1095. The evaluation will also analyse the impact of changing requirements from the General Regulation 1303/2013 on administrative costs and administrative burdens related to the implementation of European Structural and Investment Funds. This should include not only the cost reduction estimation but also a qualitative analysis of these changes. The report will provide recommendations and simplification tools for reducing administrative burdens accompanied by an estimation of the administrative costs reduction.

1096. At the beginning of June a first iteration of the evaluation report was issued, containing general simplification proposals, based on the first round of interviews and focus groups with beneficiaries and representatives of the Managing Authorities. The

recommendations are structured on the main stages of the project cycle: submission of applications and contracting, implementation and post-implementation and also horizontal suggestions. The final report will be issued in September. All final recommendations will be analysed and an action plan for their implementation will be drafted.

1097. The simplification foreseen for the implementation of Cohesion policy in the period 2014-2020 is structured on three strands, based on the results of the abovementioned report:

- **Submission of applications and contracting stage:**
  - To allow proper preparation of projects by the applicants, Managing Authorities will be required to publish by the end of each year schedules of competitions planned for the next year. The schedule will be updated quarterly.
  - Ensuring uniform information of the applicants for similar cases, by providing guidance and training to the personnel from the MA clearly assigned to this task.
  - For reducing period from the submission to the contracting, and avoid associated risks, teams of evaluators are to be contracted in due time (possible within framework contracts) by the competent authorities, based on the schedule of the Call for the proposals. They should be trained both in assessment methodology and in the requirements of the specific program.
  - Setting-up a dedicated IT system for ensuring the interoperability of different systems of public institutions that hold database information on beneficiaries, for reducing the number of documents required, particularly during project selection, information can be accessed online by MAs / IBs.
  - Setting-up "one stop shop" entities in order to provide for comprehensive and accessible information and guidance on accessing public funds (national and European) dedicated for SMEs and creating an IT platform that includes the "life events" set by the Digital Agenda for Romania dedicated to business environment. These entities should be implemented by territorial offices for SMEs and Cooperatives.
- **Implementation stage:**
  - Dedicated help-desks should be set-up or dedicated persons should be assigned for ensuring uniform information of the beneficiary on horizontal problems such as procurement or changes in the national legislation (eg. accountancy law).
  - Procedures should be updated in order to harmonize them across the programmes for avoiding requesting unnecessary documents or the same documents multiple times and for setting clear deadlines for each activity (eg. answering to complaints, analysing reimbursement requests, etc).
  - Improving quality and simplifying the written guidance. All changes of the guidelines for beneficiaries should be published in consolidated versions to reduce the risk of irregularities.

- Elaboration of standard format of the application for payment, as far as possible for all operational programs.
- Utilization of the simplified cost options whenever appropriate.
- **Horizontal actions:**
  - Progressive mainstreaming of risk-based management, with the concentration of checks and audit in areas where risk is assessed to be greatest in terms of technical aspects of projects, financial scale of projects, capacity / track record of the beneficiary.
  - Developing a manual for audit and control known by the beneficiaries of European funds.
  - Shifting to paperless system using electronic exchange of data between authorities and beneficiaries.
  - Introducing electronic signature in order to ensure the legal validity of electronic documents.
  - Ensuring the compatibility of IT instruments with writing and editing packages widely used by beneficiaries.
- In order to simplify the administrative burden in utilisation of the EAFRD, the following approaches will be considered:
  - on line submission of the projects by the potential beneficiaries;
  - simplification of the documentation submitted by the potential beneficiaries. To this end, verification of permits, authorisations, technical documentation will be performed only after the selection stage and before contracting;
  - maximum 3 verifications related to the projects, in correlation with the stages of the project implementation.

1098. In accordance with the provisions of CPR and fund specific Regulations, the Ministry of European Funds considers the possibility to undertake the necessary arrangements to use all the three types of simplified cost options, lump sum, flat rate and standard unit cost, in particular for the ESF interventions. Related to NRDP, for simplified cost options is currently developing a data base with reference prices which will lead to an elimination of the tendering procedure for acquisition of equipment for the private beneficiaries, if the equipment is already registered in the data base. Related the OPFMA, no simplified cost options are envisaged to be applied.

1099. Further to that simplifications proposals, Romania pay attention to the results of the study "Improving the National Framework for Preparing and Implementing Public Investment Projects" developed by the World Bank.

1100. In order to ensure the implementation and improvement of simplification actions proposed, at the level of Partnership Agreement, a functional working group for simplification will be set up, under the coordination of the Ministry of European Funds. At the level of each operational programme the stage of implementation of the

simplifications actions will be closely monitored by the Monitoring Committee. The analyses of results of the implementation of the simplification actions will be performed within an update evaluation that will be scheduled in the Evaluation Plan. The opinion and proposals of the beneficiaries will be collected, by each MA every two years, through questionnaires and interviews in order to perform further simplifications.

### 3. **DESCRIPTION OF THE INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT SUPPORTED BY THE ESI FUNDS OR A SUMMARY OF THE INTEGRATED APPROACHES TO TERRITORIAL DEVELOPMENT BASED ON THE CONTENT OF THE PROGRAMMES**

1101.The diversity of Romanian territory, highlighted by the analysis of disparities, makes it necessary to adapt measures to territorial specific features thus **there are certain categories of territories for which specific policies are to be elaborated**. For example, in sparsely populated territories, that are also facing a high degree of isolation (Danube Delta, some higher mountainous areas), the main objective of policies will be to maintain the population within the area. Also, for territories such as the **coastal area, mountainous areas, cross-border areas, rural peripheral areas**, that are facing specific problems **need to be treated in an integrated manner**.

1102.Following these strategic elements, the potential identified and the territorial disparities, the following **territorial development priorities** are set out for 2014 – 2020 period:

- **Improving the quality of life for local and regional communities in order for Romanian regions to become more attractive places to live in, leisure, invest and work** - Having in mind that each region has its own economic and development potential and specific characteristics, the main objective being to fully maximize this potential in order to contribute to national economic. It is thus important to improve the economic and social performance of each region, by counteracting factors and elements that hinder economic performance and promote development opportunities in each region.
- **Promoting rural-urban partnerships** - The Romanian territory is essentially rural (almost 90% of the total national area belongs to rural administrative units), therefore the future interventions aim to ensure the acceleration of restructuring and modernizing processes in rural space, for an economic integrated and sustainable development of the rural areas, taking into account the typology of these areas. In the same time, priority will be given to ensure complementarity between different sectoral interventions and rural development interventions.
- **Consolidating the urban network by polycentric development and territorial specialization** - Development often requires economies of scale and scope and large markets, usually enabled by large cities. Romanian large cities, like other economic centres in the world, are not separated with surrounding rural areas, but are part of larger systems. These cities have expanded outward in the last two decades, and now forming functional economic areas that exceed the administrative boundaries, creating employment opportunities and promoting the development of education, business and leisure
- **Increasing accessibility and connectivity** - Increasing the accessibility to the large urban agglomeration and improving accessibility between major urban agglomerations and smaller towns in the proximity or in the area of influence are priority objectives, in order to ensure increasing mobility of people (for better access to jobs and services) but also of food products and of other goods. There are numerous implications of the transport network on territorial development. At sub regional level, an inadequate transport network hinders the development of

small and medium towns and of rural settlements, major investments are needed to overcome natural barriers (Carpathians, Danube) but also to get out of the relative isolation all areas affected, with an special attention to investments in railway in order to support the intermodal transport, in correlation with the investments made to consolidate the major cities.

- **Equitable access to services of general interest - *Promoting social inclusion of marginalised communities is particular important for combating poverty and social cohesion in urban areas*** - The connection of rural areas to the major transport network and to the public utilities of higher (urban) level is generally low and is a major problem for development opportunities. This is why it is necessary to ensure a territorial balance concerning the access to services of general interest, given the clear discrepancies between more developed territories and less developed ones, as well as between densely populated and sparsely populated areas. Ensuring equitable access to services of general interest is also the most important component of the combat against poverty and also contributes to prevent the expansion of this phenomenon.

### **3.1. The arrangements to ensure an integrated approach to the use of the ESI Funds for the territorial development of specific sub-regional areas**

#### *3.1.1. Community-led local development*

1103. The Community Led-Local Development is an important tool for Romania to reduce the territorial unbalances through the involvement of local communities to take concrete steps towards economic development. The local partners will have to design and implement integrated strategies by taking into consideration the local needs and potential and to include innovative features in the local context.

1104. In 2007-2013 programming period, 163 LAGs were selected under the current NRDP covering a territory of about 60% of total Romania's area and enjoying a participation of 30% of the total population (6.7 mil. inhabitants). The territorial distribution of LAGs shows a stronger concentration in West and Centre Romania.

1105. Building on this experience, we expect that LEADER 2014-2020 will contribute to a smart development of the **rural areas**, addressing mainly local development needs in terms of business, agriculture, health, social services and related infrastructure, culture and the environment, enabling the implementation of integrated projects with an innovative multi-sectoral and cross cutting approach in the future rural development program, thus meeting the needs of the rural population and fulfilling the targets of the Europe 2020 Strategy.

1106. In order to continue the measures promoted under 2007-2013 EAFRD support for broadband infrastructure will be provided under Leader local development strategies, bottom-up approach (TO9), where it is identified as a local development priority and in line with the National Digital Agenda Strategy for Romania. In the 2007-2013 programming period the protocol was based on a territorial demarcation between the two interventions. The Ministry of Information Society established the localities in which the Ro-NET project will intervene, while the Ministry of Agriculture and Rural Development



would finance the projects that aimed to develop a broadband infrastructure in the remaining “white areas”, after eliminating the localities chosen by the Ministry of Information Society from the eligible “white areas” list. The protocol also foresaw an exchange of information between the two Ministries regarding the stage of implementation of each intervention.

1107. Although LEADER will be entirely programmed under RDP priority 6 which contributes to TO 9, it will also contribute also to other thematic objectives such as TO 1, 2, 3, 4, 5 and 8. As part of the LEADER approach, territorial cooperation projects will be envisaged complementary to other territorial cooperation initiatives.

1108. Given the small size of the projects and the specific bottom-up approach of LEADER and based on the **experiences/lessons learned** from the implementation of the NRDP 2007-2013 (very late selection of LAGs that risk to be able to fully implement their strategies and strategies focusing less on innovative measures, but rather on classical NRDP measures), it will be relevant to finance operations to capitalize on local resources and promote local specificity in order to maintain the innovative character of LEADER.

1109. In order to avoid deficiencies in reaching the targets of the local development strategy well skilled, trained and LEADER motivated people, as members of the Local Action Group, are one of the main preconditions for success.

1110. For the next programming period it is envisaged to capitalize on the existing experience related to the LEADER axis, by granting additional attention to the local development strategies that envisage measures to support minorities and to the local partnerships that include at least one organisation of the local minorities, including the Roma people.

1111. The approach that we support in the case of EAFRD based also on consultation process with stakeholders is to apply mono fund financing taking into consideration the institutional capacity and relatively early stages of implementation of local development strategies. The financial allocation of EAFRD for LEADER axis is maximum 7%.

1112. Support to the Roma population can be channelled through actions aimed both at stimulating mainly the specific and traditional activities of this community such as (crafts, and other activities they proposed under the local development strategies. etc.), supporting the artisans craft associations of the Roma minority to practice their occupations, organization of campaigns to stimulate and raise the awareness of the Roma minority about the financing opportunities and of the employers interested in hiring Roma people. Also, mainstream training activities in order to encourage the development of new skills and abilities, favouring the economic progress of this community will be supported..

1113. The main objective of **CLLD in fisheries areas** will be to increase the employment and territorial cohesion for fisheries and aquaculture. Fishing local action groups (FLAGs) have an important role in the development of fishing communities. So far 14 FLAGs have been selected covering a total area of 22,659.73 square kilometres and a population of 884.435 inhabitants. However, it is necessary to support existing FLAGs

and to focus on the creation of new partnerships. 20% of the EMFF will be allocated for CLLD in fisheries area.

**1114. In urban areas CLLD** will aim to increase social inclusion and to reduce the poverty among disadvantaged communities within Romanian cities. The most relevant criteria for defining those communities are **human capital, employment and housing quality** (*based on the methodology developed within a project aiming at poverty mapping, implemented by World Bank in cooperation with MRDPA*) having as result three main types of urban disadvantaged communities:

- communities with poor access to infrastructure, located particularly in houses situated at the city periphery, poorly endowed with utilities and without modern roads. This type of urban communities may be found both at the level of locality (mainly the newly administratively declared towns or the agricultural small towns) and at the intra-city level (usually peripheral neighbourhood, but not only) within the middle and large cities of the country.
- communities that are economically disadvantaged, located particularly in (small) mono-industrial or agricultural towns, formerly dependent on a large state enterprise or an agricultural cooperative. The majority of these settlements are (rural) communes that only administratively were declared towns, most often being poorly endowed with urban utilities (thus falling also under type 1 above). The own revenues to the local budget are very low, also being dependent on the redistribution mechanism from the central budget.
- isolated poor zones located in small areas within a city that consist of groupings of houses or blocks of flats, which cumulate all types of disadvantages. For identifying poor zones, measures (indicators) at the locality level are not useful or are even misleading, since these often consist of small isolated poor areas within relatively developed cities and towns in Romania.

**1115. The CLLD will be important to be implemented in order to target the local communities needs limiting within the following types of territories:**

- **For rural areas** (as defined in the National Rural Development Programme and small towns with a population of up to 20,000 inhabitants) will increase the integrated actions – sites skills, investment support – in order to attract investments into Romania's rural areas and to combat low access to employment and employment opportunities together with the lack of education resources (under TO 9). Given the low population density in the Danube Delta Region, a minimum ceiling of 5000 inhabitants will be accepted for this area. These limits will ensure an adequate balance between a critical mass of stakeholders and the particularities of the Danube Delta area.;
- **For deprived areas within urban centres** (towns/cities from Romania with deprived areas/neighbourhoods) for example, CLLD can reduce the risk of poverty or exclusion, especially for vulnerable groups, decrease the number of people living in poverty particularly in regions and territory facing high rate of poverty and to increase the number of participants gaining qualification in social services upon leaving the ESF funded operations (under TO9), topic that can be

further developed within the Operational Programmes considering the relevant criteria for disadvantaged communities;

- **For fisheries and coastal areas where there are fisheries activities and aquaculture farms**, CLLD will be used to strengthen the link between agriculture, fisheries, aquaculture, forestry and research and innovation, to increase the potential of aquaculture sites, to promote new sources of income, inside the sectors (processing, marketing activities) and outside the sector (environment, tourism, education activities), to protect and encourage biodiversity, to encourage the establishment, organization and functioning of producing-processing-marketing chain. CLLD will also be used in order to combat poor working conditions related to health and safety on board inland and marine fishing vessels (under TO 8) and the risk of poverty or exclusion for people living in disadvantaged regions and territory (under TO3 and TO9).

1116. The **coordination and administrative set-up for CLLD** is concerned, as well as the specific role of the local action groups (LAGs), Romania has the following options:

- In case of **CLLD for urban areas**, a multi-fund financing for integrated development strategies will be used considering a Common Selection Committee (ERDF + ESF) for such type of strategies, committee established between relevant Managing Authorities. Taking into consideration that operational programs are still under development, being subject to the partnership consultations, the amounts for ERDF and ESF will not be indicated.
- For **rural areas**, LEADER funding through the National Rural Development Programme (NRDP) will be provided from EAFRD. The financial allocation from EAFRD for LEADER axis is maximum 7%.. A new competition process for the **LAGs** will be financed using the experience already achieved through LEADER in respect of local development.

1117. The following elements were considered for the proposed financial allocation for LEADER:

- The late start in the selection process of LAGs for 2007-2013 and the fact that LEADER was a new approach for the rural communities in Romania in terms of local development and developing an effective mechanism for private-public partnerships;
- Despite the slow up take, the last 2 years have shown the capacity of LAGs to perform their activity, by constantly growing, currently reflected in rate of contracting up to 70%. Also, in this period steps have been taken to improve the implementation system, e.g by allowing the possibility to grant advance payments for running costs – thus removing one of the key issues that hampered the organisation of LAG;
- At present, the LAGs and the implementing bodies have developed a certain level of experience in order to ensure the absorption of the envisaged allocation;
- Furthermore, the allocation proposed is also considering a 100% coverage of the LEADER eligible territory and population, thus a bigger financial envelope is required.

1118. Fisheries Local Actions Groups (**FLAG**) will be supported to draft local strategies for the next programming period in coastal areas, Danube River, Danube Delta and inland fisheries and aquaculture areas. Also, a call for expression of interest will be launched for new partnerships to help them in the process of drafting local strategies in fisheries areas.

1119. In order to ensure a good elaboration and coordination of ITI Danube Delta strategy, an Inter-ministerial Working Group has been established at the level of Ministry of Regional Development and Public Administration. All the relevant stakeholders from local, regional and central level will be involved. The main function will be the elaboration of the strategy, but also to analyse the potential overlapping, synergies and complementarities between ITI Danube Delta strategy and other territorial strategies (CLLD). This Group will be part of the institutional coordination mechanism, proposed for next programming period detailed in chapter 2.1 (Level 3 – Functional Working Groups).

1120. The complementarity of LAG and FLAG regarding CLLD will be ensured considering that local territorial strategies drafted by the LAGs and FLAGs can identify projects that can be financed by various funds but in the framework of NRDP and EMFF OP the financing of the actions/operations will be mono fund solely. In this respect, the coordination of the strategies will be ensured through dedicated working groups between relevant stakeholders under the coordination of MEF, together with the establishment of an appropriate mechanism for coordination and cooperation at the level of the future operational programmes. In order to ensure coherence and quality of the local development strategies for urban or rural areas **preparatory support** will be provided through future operational programme.

### *3.1.2. Integrated territorial investments (ITI)*

1121. The Integrated Territorial Investments (ITIs) will use the place-based approach, stimulating the integrated development and the cross-sectoral cooperation at sub-regional level, thus leading to synergies between ESI Funds and other financing sources (e.g. national or local budget) and avoiding the funding of divergent or disparate projects. ITI is an instrument promoting the integrated use of Funds and has the potential to lead to a better aggregate outcome for the same amount of public investment.

1122. Romania will use ITI instrument with priority in the **Danube Delta Biosphere Reserve** (a unique territory with very specific features: sparse and isolated population, economical specialisation and vulnerability, poor access to services, etc.); the elaboration of the integrated strategy for this area has started with World Bank expertise together with the local relevant authorities; the strategy will be implemented through an Action Plan elaborated also with World Bank expertise, that will include the proposed interventions and the mechanisms of implementation, with the use of all ESIF.

1123. The first step for the elaboration of the Danube Delta Integrated Sustainable Development Strategy, the Diagnostic Report, identifies the following main challenges for development in the Danube Delta area:

- **Sustainable economic development** requires access to markets, infrastructure, a workforce and some scale economies, all rather constrained in the Danube Delta area

- Meeting contemporary nature-based tourism demand joint destination management, developing the attraction portfolio of the region, and investing in visitor infrastructure

- The commercial fishery is currently important for employment, but recreational fishing has good development potential

- **Agriculture** is expected to remain the main occupation and income generating activity for the rural population in the Danube Delta area

- Poor accessibility has posed significant challenges to improving the living **standards of residents in the core Delta**, both for health and education as well as for basic public services

- **Environmental protection** underpins livelihoods and economic development opportunities, especially fisheries and nature-based tourism

- **Biodiversity** is largely maintained by the current protection efforts but ecological systems show decline

- The **institutional structure** for managing the Danube Delta Biosphere Reserve territory is complex and insufficiently coordinated which might hinder conservation efforts.

1124.The ESI Funds will play an important role in fulfilling the expected results of the integrated strategy for Danube Delta area and of the 2014-2020 programmes. The contribution from each of the programmes and the types of projects and final allocations will be set once the strategy for the Danube Delta has been finalised. A series of projects are already in preparation and other projects will follow to be included in the integrated pipeline of projects during the year 2015.

1125.An indicative allocation by each ESIF fund was developed on the basis of the local needs analysis made by the World Bank together with the local potential beneficiaries, as follows: ERDF 709.62 million euro, ESF 76 million euro, CF 107.64 million euro, EAFRD 168 million euro, EMFF 50 million euro.

1126.The strategic coordination of ESI Funds 2014-2020 will be ensured through the Management Partnership Agreement Steering Committee. Two subsequent levels of coordination, Thematic steering sub-committees and the Functional Working Groups, will support the MPASC activities (see chapter 2.1).

1127.The ITI Functional Working Group will ensure a strong coordination between all partners involved in the implementation of ITI Danube Delta through an institutional coordination mechanism. The Ministry of European Funds will ensure an efficient communication as a single contact point between all the partners involved in the implementation of the ITI mechanism through a permanent secretariat. Moreover is

envisaged to ensure the coordination of ITI projects implementation. In this respect the main ministries involved in the coordination and management of the ESI Funds 2014-2020 concluded a partnership with the established Intercommunity Development Association for ITI Danube Delta based on a cooperation interinstitutional protocol. The protocol will be part of Danube Delta Integrated Sustainable Development Strategy that will follow to be assumed by the Romanian Government. Intercommunity Development Association for ITI Danube Delta will prioritize the projects relevant for the Integrated Strategy having an important role in the animation of local beneficiaries and supporting the preparation of the projects as well as to ensure an early warning to any problem faced by the projects. In this sense the ministries will assign ADI with specific responsibilities corresponding to the projects cycle. At the level of each Managing Authority the ITI projects will follow the general procedure of each operational programme.

*3.1.3. Sustainable urban development, including the principles for identifying the urban areas where integrated actions for sustainable urban development are to be implemented and an indicative allocation for these actions under the ERDF at national level*

1128.Sustainable urban development approach provided under article 7 of the ERDF Regulation will be implemented by establishing a priority axis within Regional Operational Programme 2014-2020 combining relevant investment priorities and thematic objectives in accordance with point (c) of the first subparagraph of Article 96(1) of Regulation (EU) No. 1303/2013.

1129.Cities in Romania are considered important sites for research, technological development and innovation, geographic concentration of economic activities and population with an important role in human capital development. Considering this potential of the cities, these are also areas where a series of challenges can hinder the social and economic development like lack of jobs, poor quality of housing, socio-spatial segregation, pollution, congestion, degradation of public spaces and many others. National Spatial Development Strategy (draft paper) recognizes the role of cities in economic development. Each category of cities has a well-established role in the structure of settlements and therefore an appropriate funding allocation will be set for different categories of cities. Growth poles are the places that drive the development in the regions and this is highlighted in the World Bank Report on Growth Poles. The continuation of growth poles policy, taking into consideration the lessons learned of the previous programming period, including the functioning of appropriate coordination and implementation mechanisms, is recommended by World Bank experts in the report on Growth Poles Policy.

1130.The principles for the selection of urban areas for the promotion and implementation of integrated actions for sustainable urban development are the following:

- The contribution of the cities to socio-economic development of regions – pre-selected urban areas will be financed (the 7 growth poles);
- Competition process for the selection of urban areas based on the best strategies taking into account promotion of an integrated policy approach to local development (integrated and interrelated strategies, mobilising local partnerships, combining of resources from all funding sources, socio-economic local impact in particular considering surrounding areas and urbanisation etc), and the administrative capacity of local authorities to implement integrated urban development strategies.

1131. The growth poles policy will continue to be financed taking into account the previous experience gained by Romania during 2007-2013 programming period in the implementation of the integrated plans for urban development through a ring fenced estimated allocation. The structure for the coordination of the growth poles will be maintained in order to ensure a better liaison and correlation between ESI Funds and the local development strategies, and at the same time will seek to support the improvement of the administrative capacity.

1132. In addition to the support for the growth poles, other territorial development approach (such as urban development poles, local development centres etc.) will be also sustained. In order to prioritise the urban areas that can benefit from the ESIF a competition process will be held for selection of the best strategies taking into account the promotion of an integrated policy approach to local development (integrated and interrelated strategies, mobilising local partnerships, combining of resources from all funding sources, etc.) and the administrative capacity of local authorities to implement them. These strategies will include a list with priority projects which can be financed into all ESIF programmes.

1133. Depending on specific local needs, investments from other operational programmes, including those related to the adaptation to climate change, will complement the activities covered by sustainable urban development in the regional operational programme taking into account the investment correlation mechanism for financing prioritization of the projects that are part of integrated urban development strategies, through the coordination levels presented in chapter 2.1. Furthermore, within the Functional Working Group and Thematic Steering Sub-committee, different methods will be identified for prioritizing the financing of urban development projects at the OPs' level. Thus, for instance, may include the development of an evaluation grids specific to each programme where additional points will be given to projects deriving from integrated urban development strategies. In accordance with the provisions of the regulations, the urban authorities will have the responsibility to select the operations within urban sustainable development axis of the Regional Operational Programme.

1134. As well as in the case of the other territorial development approach such as urban development poles, local development centres the selection process for the identification of these towns and cities will be carried out considering the above principles.

1135. The main interventions under Regional Operational Programme that will be envisaged for sustainable urban development in an integrated approach are concentrated under Thematic Objective 4 and 6 and will target the increase of energy efficiency in

cities in order to improve the quality of the environment (including biodiversity) and to reduce the CO2 emissions, the increase of green areas in public spaces and promote the non-motorized mobility, renovation and modernization of public spaces, such as historical centres, neighbourhoods, degraded areas and sites, etc.

1136. Romania will ensure that at least 5% of the ERDF national allocation will be dedicated to sustainable urban development (Article 7 ERDF Regulation). The indicative allocation at national level to Integrated Actions sustainable urban development under ERDF will be established in the course of the elaboration of the Regional Operational Programme.

Table: The indicative allocation at national level to integrated actions for sustainable urban development under the ERDF

<b>Fund</b>	<b>The indicative allocation at national level to integrated actions for sustainable urban development (€)</b>	<b>Proportion of the total allocation to the Fund (%)</b>
ERDF		
ESF		

*3.1.4. The main priority areas for cooperation, under the ESI Funds, taking account, where appropriate, of macro-regional and sea basin strategies*

#### **Macro regional strategies: EU Strategy for Danube Region**

1137. Due to its geographical position, Romania has a specific predestination for interfacing, mediating, connecting worlds, cultures, businesses. This is one of the main reasons why Romania together with Austria initiated the EU Strategy for Danube Region (EUSDR). Romania's understanding of the macro regional strategies is that above the traditional European territorial cooperation instruments, macro regional strategies create a new platform of cooperation more consistent and substantial. Development resources of the cooperating countries are considered together in a complementary, integrated way for a more inclusive, more intelligent and more sustainable development of the Danube region and each country itself. Romania plans to support measures for mitigation of hydro-morphological alterations (mentioned in the file Correlation with Priorities of EUSDR.docx, annex of PA) in order to protect and improve the aquatic ecosystems status. Such measures refer to the ensuring the longitudinal and lateral connectivity of water bodies for achievement of environmental objectives and are established in the first River Basin Management Plan which will be achieved in the second planning cycle. The threading of the EUSDR through the Romania's Partnership Agreement relative to Pillars and the Priority Areas of the EUSDR is detailed in file Correlation with the Priorities of EUSDR.docx, annex of PA. Implementation of the Romanian development strategy can be leveraged by the implementation of EUSDR objectives, and vice versa.

1138. In this respect the thematic objectives and investment priorities will be in close correlation with the objectives and targets set in the EUSDR Action Plan, foreseeing an



alignment of policies and funding, based on the integrated EUSDR approach. The interventions will take into consideration the following areas: **transport infrastructure** (bridges or other possibilities of crossing river; rehabilitation of port infrastructure and development of intermodal and logistic nodes), **investments in education, training, lifelong learning, promoting investments for prevention and risk management, development of electronic services, settlements network** (connection between Danube River and Bucharest; facilitation of cross-border cooperation between pair cities along Danube), **environment** (preservation and protection of the rural protected areas along the Danube River, especially in the Danube Delta), **social issues** (improving social infrastructure – education and healthcare- in the Danube adjacent counties), **economy** (valorization of agricultural, energy and tourism potential of the Danube area), and promotion of the **tourism and culture**. The future Danube transnational cooperation program that will be funded from ERDF, IPA and ENI will be completed during 2014. It will **finance the preparation of small and medium sized projects with a macro regional impact** within Danube Strategy. This programme will support the EUSDR governance in its activities. Romania's programming of ESI Funds in 2014-20 has been designed to make a substantial contribution to the achievement of the objectives of the EUSDR. The threading of the EUSDR through the Romania's Partnership Agreement relative to Pillars and the Priority Areas of the EUSDR is detailed in *file Correlation whit the Priorities of EUSDR.docx, annex of PA*.

1139. Considering ecological richness of the Danube region and often the fragility of the region, EUSDR environmental priority will be taken into account voluntarily and through legislative requirements (e.g. Environmental Impact Assessment Directive, Birds or Habitats Directives and environmental acquis generally). The actions will address specifically, in an integrated manner, the goals of tackling sustainable use of resources (meaning water, nature and land protection), climate change challenges and developing and securing quality of life.

1140. An important task and a mandatory role of the EUSDR governance is to establish the system of evaluation of the EUSDR relevance of the candidate projects to be financed by ESI funds.

1141. The proposed system of evaluation of the EUSDR relevance of the candidate projects will create a specific pressure on the activity of the EUSDR steering groups, for three priority areas in which Romania is designated as priority area coordinator (PA1.1 Navigability - together with Austria, PA3 Tourism, culture and people to people contacts - together with Bulgaria and PA5 Environmental risks together with Hungary) and therefore Romania is prepared to:

- Create a proper information and communication ICT instrument to facilitate generation and promotion of EUSDR relevant projects. This will be built and operated in Romania and proposed for adoption in the EUSDR European level governance structures and is currently financed from the Romanian Competitiveness OP.
- Prepare proper communication between the EUSDR governance structures and the OP management authorities through the coordination structures and mechanism proposed for ESI funds.

1142. The most important instruments meant to ensure an efficient correlation between the EUSDR and the projects to be financed within the next financial period, which are currently under the analysis of the Priority Areas coordination (PAC) team and of PA and OP drafting teams, are:

- EUSDR relevance evaluation grid

This set of criteria is proposed to be approved by the Steering Group (SG) of each priority area, endorsed by the National Interministerial Working Group and used by the Managing Authorities in their evaluation of projects submitted for financing. This mechanism can be used mainly for the projects to be financed by national operational programmes;

- Letter of recommendation

Following the rules of procedures of each priority area, a letter of recommendation will be issued by the PAC, after the approval in the SG. This mechanism will be used mainly for projects financed within programmes under the territorial cooperation objective or for projects that need cooperation of more than 2 countries or are dependent to other projects to be implemented in other country.

1143. In order to support the efforts aiming to institutionalize the cooperation mechanisms necessary to implement transnational objectives adopted in EUSDR and to build proper capacity, the competencies of the staff working in EUSDR governance structures shall be considered in the same manner as those needed for ESI funds management.

1144. ESI Funds 2014-2020 will contribute to EUSDR projects based on needs assessment, through allocated amounts that will be estimated at the level of each programmes. The prioritisation of projects will be linked to the priorities of the macro-regional strategy.

1145. For the Danube Counties the focus will be in infrastructures investments while the other types of interventions will cover the whole territory of Romania.

1146. In order to finance EUSRD projects different approaches are taken into consideration due to the specificity of each programme. Therefore it is likely to have scoring approaches based on specific criteria or dedicated calls for proposals.

1147. **Black Sea.** The main objective of the **Black Sea Synergy** is to build up cooperation in the Black Sea region. It offers the guidelines for the implementation of concrete and pragmatic projects of cooperation between wider Black Sea region states and the EU, in areas such as: democracy, human rights, good governance, border management, protracted conflicts, energy, transports, environment, maritime policy, fishing, migration, education, research and development. Romania is actively committed to the implementation of the **Black Sea Synergy** through the development of sectoral partnerships and will continue to cooperate under the existing frameworks for sea-basin cooperation with the neighbouring states in the Black Sea and under the respective initiatives of the EU. . Romania underlines the importance of moving on to a concrete

complementarity between the principles of implementation of the Black Sea Synergy and the multilateral dimension of the Eastern Partnership, these two European initiatives being now in the phase of implementation of the projects and the recommendations proposed in the networks established under their aegis, both at regional and macro-regional levels.

1148.**Integrated Maritime Policy. Blue Growth Strategy** highlights the potential contribution of the marine and maritime sectors towards the objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth. Among the priority areas of cooperation are included areas of intervention related to coastal and marine economic activities identified in the EU Strategy for the Blue Growth, including blue energy, marine, coastal and cruise tourism, blue biotechnology, marine clusters and others; activities for prevention, reduction and control of pollution of the Black Sea.

1149. With its location on the Danube and the Black Sea Coast, many of the sectors and the focus areas within the Blue Growth strategy have high or medium relevance in the context of Romania's national and local development, as it can be seen in file *Complementarity Blue Growth Strategy.docx*, annex of Romanian PA 2014-2020.

1150. Romania has recognised maritime clusters the South East region, in which the ports of Constanta and Mangalia are located, appraisal of Romania's research and innovation capacity in the context of smart specialisation (*See "Analysis and Evidence Base of the R&D&I Market in Romania" , 2013, Ove Arup & Partners Ireland, ordered by the Ministry of National Education and financed by Jaspers*) reveals competences in many areas that are relevant to the blue growth sectors or focus areas.

1151. Romania's programming of ESI Funds in 2014-2020 has been designed to make a substantial contribution to Blue Growth. Romania's Partnership Agreement contains:

1. specific Funding Priorities addressing Blue Economy Sectors or Blue Economy Focus Areas identified as high relevance (see *Complementarity Blue Growth Strategy.docx*). Examples relate to promotion of Aquaculture with EMFF support and the promotion of Inland Waterway Transport with Cohesion Fund Support.
2. general Funding Priorities of potential relevance to Blue Economy Sectors or Blue Economy Focus Areas identified as medium relevance in the table below. These are dependent on projects being prioritised from the bottom up, for example, the scope for support for tourism under the Regional Operational Programme (ERDF) may be expected to result in a project proposal for marina development that would contribute to the Coastal Tourism and the Yachting and Marinas Sectors and to the Blue Growth Focus Area of Coastal Tourism.

1152. The Ministry of European Funds will facilitate dialogue across relevant ministries, agencies and stakeholder groups to determine whether further, dedicated, coordination is appropriate in the context of the Integrated Maritime Strategy.

1153. **European territorial cooperation** (ETC) is particularly important both from political and economic point of view, focusing on common priorities within specific territories, therefore bringing added value to reach a balanced regional development at the EU level. The cooperation programmes have a significant contribution towards

targeting the territorial integration in cross-border and transnational areas, which represents one of the territorial challenges of Romania.

1154.The agreement on the areas to be financed under these programmes follows the decision-making procedure specific to the ETC objective, aiming for a better **coordination** between the ESI Funds, especially in case of the regional programmes and other EU financing instruments, in order to create and exploit synergies, at all levels of cooperation. Thus, measures are envisaged for the future cooperation programmes both in **planning and implementation** phases.

1155.For 2014-2020, Romania is involved in the following cooperation programmes:

- 7 programmes belonging to the cohesion policy: 2 cross-border cooperation programmes, between Romania and Bulgaria and between Romania and Hungary, 1 transnational cooperation programme (Danube), and 4 interregional cooperation programmes (INTERREG EUROPA, URBACT III, INTERACT III, ESPON 2020);
- 1 IPA cross-border cooperation programme between Romania and the Republic of Serbia;
- 4 cross-border cooperation programmes belonging to the neighbourhood policy, namely Romania and the Republic of Moldova, Romania and Ukraine, at the border between Hungary-Slovakia-Romania-Ukraine, and the Black Sea Basin programme, all of them planning to include measures relating to the Integrated Maritime Policy and the EU Strategy for Blue Growth.

1156.Nevertheless, joint actions under these programmes will target: improve research and innovation, the development of tourism and promotion of cultural heritage in the border areas, strengthening cooperation between the relevant communities, supporting the development and improvements of infrastructure, removing the bottlenecks related to cross-border transport flows, waste and water treatment, developing and implementing common solutions to joint difficulties, which are often caused by natural environmental conditions, in fields as climate change impacts, risk prevention and risk/disaster management.

1157.Development of maritime potential (marine knowledge, protection of marine environment, Maritime Spatial Planning and Integrated Maritime Surveillance) may also be addressed through joint actions.

1158.In addition, specific actions will be designed in order to enhance cooperation in the energy sector, in order to increase energy efficiency and reduce pollution, as well as to promote the production, use and distribution of renewable energy sources.

3.1.5. *Where appropriate, an integrated approach to addressing the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or social exclusion, with special regard to marginalised communities, persons with disabilities, the long term unemployed and young people not in employment, education or training*

1159. In Romania, the extent of poverty and social exclusion is far greater than in most EU Member States, with 40.3% of the population that were exposed to such risks in 2011, compared to an EU average of approximately 24%. In 2011, 4.74 million from the total Romanian population were at risk of poverty (with an income lesser than 60% of the average disposable income), 6.28 million were under severe material deprivation and 1.14 million were living in households with very low work intensity.

1160. Romania has the EU largest share of population living in rural areas (45% of the total population) and, according to the NIS data for 2010, the risk of extreme poverty is 4 times higher in the rural areas (8.8%) compared to the urban areas (2.2%).

1161. In terms of regional disparities, the regional analysis reveals that regions with the highest rates of persons being at risk of poverty and social exclusion are: North-East, South West Oltenia, South-East and South Muntenia. At the opposite side, we find the West and the Bucharest-Ilfov regions. Moreover, the West region is also characterized by a relatively stable rate, while South West region had an obvious negative trend concerning the evolution of the rate, from 55.4% (2007) to 21% (2011) - *See Table 21 - Persons at risk of poverty or social exclusion (%) in DataFile.docx.*

1162. The urban areas affected by poverty include small cities confronting demographic ageing and depopulation, mono-industrial (e.g. mining cities), agricultural cities or newly established cities. Small cities concentrate poverty due to poor physical infrastructure (transport, health, education), in addition, they were heavily affected by industrial restructuring and are very vulnerable to industrial and economic reform which has as a main effect low employment rate and thus instable and poor income.

1163. Isolated localities in mountainous areas or in the regions along the Danube corridor are subject to the same negative trends, due mainly to their difficult geographical positioning and the limitations in terms of activities and employment. The poverty level is very high in these territories and an integrated approach is needed in order to respond to their complex development needs.

1164. The poverty in rural localities which are close a large city is lower, while in areas where there are no urban centres, or on the periphery of small or underdeveloped cities, the tendency is for poverty to increase.

1165. In Bucharest-Ilfov, North East and Centre regions the registered rates are under the national average concerning the share of persons who live in households with very low work intensity. The southern Regions of Romania, namely South-West, South Muntenia and South-East, along with North-West region are those in which the share of persons who live in households with very low work intensity, in 2007-2011, is above the national average.

1166. At the national level, in 2007-2011, the share of people affected by the severe material deprivation varied from 36.5% (in 2007) to 29.4% (in 2011), having a constant negative trend in the above mentioned period of time. At the regional level, the regions with the highest rates of the people affected by the severe material deprivation are North-East region, South-East and South-Muntenia regions and South-West-Oltenia region, at the opposite side being regions Center, West and North West. (See table 22 - *The rate of severe material deprivation in DataFile.docx*).

1167. In the rural areas, the main problem is represented by traditional poverty, associated with deprivation in terms of housing and the lack of basic utilities (sewerage and running water):

- 76.7 % from the population in absolute poverty was located in rural areas in 2010, the risk at absolute poverty being four times major in rural areas (8.8%), than in urban areas (2.2%);
- The risk of relative poverty is three times major in rural areas by comparison with urban areas (27% from 9%), also for rural population there is a small percentage of higher education graduates (3% from occupied population, by comparison with 23% in urban areas);
- Demographic aging is more pronounced in rural areas and poorer areas, this tendency will continue and is anticipated that some regions will lose up until 50% from population until 2050.

#### **Approach concerning deprived communities**

1168. Two main types of approach regarding the deprived communities are envisaged for 2014 – 2020 programming period:

- The use of **integrated plans** that will involve, beside the measures concerning social houses, complementary measures in the fields of education, employment, social and health care addressing the specific needs for deprived communities in urban areas identified as such (under the form of CLLD);
- Soft measures targeting people in need and which are not included in the integrated plans addressed to deprived communities.

Table: The role and the contribution of the ESI Funds in the implementation of the integrated approach to address the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or social exclusion

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
Children: - from poor families, - with parents working abroad - in residential or family-based child care institutions - single parent households - households with three or one more children	- reducing the lack of parental care and supervision; - improving child supervision and support necessary for school; - reducing the incidence of early school leaving - reducing the risk of poverty, extreme poverty and social exclusion; - improving social services that can provide counselling and support related to finding a job or receiving social housing for single parent households;	ESF	- integrated actions to address the needs both of the children and of the parents (as the case maybe) by increasing the access and educational participation, access to housing, social, health care and cultural services, and actions to combat discrimination and segregation in school; - implementing preventive, intervention and compensation measures to reduce ESL, including individualised support for pupils at risk of ESL focusing on rural areas and Roma; integration of equal opportunities and inclusion measures, incorporating wrap-around support (alternative education pathways, such as “second chance” education and training, including IVET, mentoring, etc.) to ensure its effectiveness; - supporting non-traditional students particularly those from rural areas, as well as adults presently aged between 23 and 27 to access, participate and succeed in tertiary education - strengthen the capacity of public and private service providers to deliver quality community-based care services for children (especially in lagging areas); - developing an equitable, sustainable, affordable and high quality social assistance system, benefits and social services (e.g.: protected homes, family-type homes, integrated social and health community services etc.)	2014RO05M9OP001

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
			which will support the transition from classic/ large scale residential centres to community – based service delivered by public and private social services providers, including targeted support for community based infrastructure.	
		EAFRD	- fostering local development in rural areas through investments in educational and social infrastructures (nurseries and school after school etc.)	2014RO06RDNP001
		ERDF	- supporting the educational infrastructure and resources development in ECEC, primary and lower secondary schools, particularly those from disadvantaged areas	2014RO16RFOP002
People who are jobless or have low incomes and homeless people	- reducing unemployment as the main cause of poverty and social exclusion, especially for self-employed farmers; - reducing the rate of households with very low work intensity; - reducing the incidence of in-work poverty; - low and irregular	ESF	- exploiting innovative potential of social economy models (including sheltered employment for vulnerable persons) to address societal challenges and/ or to support labour market integration and social inclusion of vulnerable groups and their transition to the business models, the development of local services where market models fail to deliver, thereby creating employment and social inclusion; - targeted and mainstreaming actions aiming to improve access to the labour market of job-seekers and inactive, with a particular focus on long term unemployed, older workers, Roma people, people with	2014RO05M9OP001



Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
	<p>incomes due to work in the informal sector, in unstable jobs, seasonal or temporary employment that provides low and irregular incomes; - lack of decent housing/decent living conditions</p>		<p>disabilities and those from rural areas through a multi-dimensional approach (counselling, personalized services, vocational training, financial support for business start-up, validation of competencies obtained in formal and non-formal context, financial incentives for employers to create new employment opportunities and to organize apprenticeship and traineeship schemes actions to enhance the internal/ national mobility of labour etc.); - integrated actions to address the needs by improving educational participation, integration in the labour market, access to housing, social, health care and cultural services, and actions to combat discrimination; - developing an equitable, sustainable, affordable and high quality social assistance system, benefits and social services (e.g.: protected homes, day-care centres, integrated social and health community services etc.) which will support the transition from classic/ large scale residential centres to community – based service delivered by public and private social services providers, including targeted support for community based infrastructure - increasing the participation in lifelong learning activities, specifically by expanding the demand for and supply of lifelong learning quality programs (including development/revision of qualifications for priority sectors), by individual support measures (incentives, care services, etc.), especially of people</p>	

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
			belonging to disadvantaged categories (people with no/low qualification, people from rural area, etc.), as well as increasing the participation in LLL of employees;	
		EAFRD	- support for information, vocational training (short term/initial training) and skills acquisitions for farmers and for those involved in food sector, including by transfer knowledge about new practices in the agri-food sector; - support for demonstration activities to transfer knowledge about new practices in the agri-food sector;	2014RO06RDNP001
		ERDF	support for physical, economic and social regeneration of deprived communities in urban areas, including in the framework of Community-led Local Development, including support for sport infrastructure/multifunctional cultural centres in view of specific social inclusion objectives and for social economy;	2014RO16RFOP002
Elderly people	- improve access to health and social services; - low incomes; - underdeveloped community based care services (nursing homes, respite centres,	ESF	- integrated actions to address the needs by improving access to social, health care and cultural services and actions to combat discrimination; - developing an equitable, sustainable, affordable and high quality social assistance system, benefits and social services (e.g.: domiciliary care, day-care centres, integrated social and health community services, respite centres etc.) which	2014RO05M9OP001

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
	day care centres) and medical care services tailored to the needs of elderly people;		will support the transition from classic/ large scale residential centres to community – based service delivered by public and private social services providers, including targeted support for community based infrastructure - strengthen the capacity of public and private service providers to deliver quality community-based care services for elderly (especially in lagging areas); - enhance access to quality health care and treatments for vulnerable and underserved by: focus on primary health care strengthening (community nursing/Roma health mediation and family doctors), integration of medical and social services at community level, access to quality services in ambulatory settings and emergency care;	
		ERDF	Investments in essential health infrastructure in selected priority locations: regional emergency hospitals, county emergency hospitals, ambulatory centres and community centres/socio-medical centres;	2014RO16RFOP002
Roma people	- reducing poverty and extreme poverty; - low educational attainment; - reducing the risks of early school leaving; - high risks of early	ESF	- integrated actions to address the needs of Roma by improving educational participation, integration in the labour market, access to housing, social, health care and cultural services, and actions to combat discrimination; - exploiting innovative potential of social economy models	2014RO05M9OP001

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
	<p>motherhood; - combating disparities in labour market outcomes and extremely low productivity rates; - combating discrimination and social exclusion; - reducing the low access to labour market; - lack of decent housing/decent living conditions.</p>		<p>(including sheltered employment for vulnerable persons) to address societal challenges and/ or to support labour market integration and social inclusion of vulnerable groups and their transition to the business models, the development of local services where market models fail to deliver, thereby creating employment and social inclusion; - increase participation, affordability and quality of early childhood education and care (0-6 years old), particularly in the age group 0-3 years old, especially for groups at increased risk of ESL, focusing on rural areas and Roma; - implementing preventive, intervention and compensation measures to reduce ESL, including individualised support for pupils at risk of ESL focusing on rural areas and Roma; integration of equal opportunities and inclusion measures, incorporating wrap-around support (alternative education pathways, such as “second chance” education and training, including IVET, mentoring etc.) to ensure its effectiveness; - supporting non-traditional students particularly those from rural areas, Roma and other disadvantaged groups, as well as adults presently aged between 23 and 27 to access, participate and succeed in tertiary education; - increasing the participation in lifelong learning activities, specifically by expanding the demand for and supply of lifelong learning quality programs (including development/revision of qualifications for priority</p>	

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
			<p>sectors), by individual support measures (incentives, care services, etc.), especially of people belonging to disadvantaged categories (people with no/low qualification, people from rural area, etc.), as well as increasing the participation in LLL of employees; - enhance access to quality health care and treatments for vulnerable and underserved by: focus on primary health care strengthening (community nursing/Roma health mediation and family doctors), integration of medical and social services at community level, access to quality services in ambulatory settings and emergency care; - enhancing public awareness on social issues, including discrimination, promoting social responsibility and developing a pro-active, volunteer oriented and participative culture within the general public - improve the maternal and child care in communities/counties/regions with higher level of infant mortality, including by enhancing the community nursing/Roma health mediation and improving access to higher level of care - strengthening the capacity to provide equitable access to regionally optimized high level tertiary care, able to improve health outcomes for priority relevant pathologies that disproportionately affect the poor and account for the majority of adult morbidity and mortality gaps (e.g. cancer, cardiovascular diseases, diabetes, mental illness, rare diseases, tuberculosis); -</p>	

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
			targeted and mainstreaming actions aiming to improve access to the labour market of job-seekers and inactive, with a particular focus on long term unemployed, older workers, Roma people, people with disabilities and those from rural areas through a multi-dimensional approach (counselling, personalized services, vocational training, financial support for business start-up, validation of competencies obtained in formal and non-formal context, financial incentives for employers to create new employment opportunities and to organize apprenticeship and traineeship schemes actions to enhance the internal/national mobility of labour etc.);	
		EAFRD	fostering local development in rural areas through investments in educational and social infrastructures (nurseries and school after school etc.)	2014RO06RDNP001
		ERDF	- supporting the educational infrastructure and resources development in ECEC, primary and lower secondary schools, particularly those from disadvantaged areas - support for physical, economic and social regeneration of deprived communities in urban areas, including in the framework of Community-led Local Development, including support for sport infrastructure/multifunctional cultural centres in view of specific social inclusion	2014RO16RFOP002

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
			objectives and for social economy; - investments in essential health infrastructure in selected priority locations: regional emergency hospitals, county emergency hospitals, ambulatory centres and community centres/socio-medical centres;	
People suffering from addictions, affected by domestic violence and human trafficking, persons deprived of liberty or on probation	- reducing domestic violence; - reducing the level of unemployment and poverty; - improving educational level; - combating social exclusion and discrimination in terms of equal access to education, housing, employment and restricted opportunities to informal work including offenders and ex-offenders;	ESF	- integrated actions to address the needs by improving educational participation, integration in the labour market, access to housing, social, health care and actions to combat discrimination; - enhancing public awareness on health and social issues, including discrimination promoting social responsibility and developing a pro-active, volunteer oriented and participative culture within the general public; - exploit innovative potential of social economy models (including sheltered employment for vulnerable persons) to address societal challenges and/ or to support labour market integration and social inclusion of vulnerable groups and their transition to the business models, the development of local services where market models fail to deliver, thereby creating employment and social inclusion; - developing an equitable, sustainable, affordable and high quality social assistance system, benefits and social services (e.g.: protected homes, family-type homes, integrated social and health community services, etc.) which will support the transition from classic/ large scale residential centres to	2014RO05M9OP001

Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
			community – based service delivered by public and private social services providers, including targeted support for community based infrastructure - enhance access to quality health care and treatments for vulnerable and underserved by: focus on primary health care strengthening (community nursing/Roma health mediation and family doctors), integration of medical and social services at community level, access to quality services in ambulatory settings and emergency care; - strengthening the capacity to provide equitable access to regionally optimized high level tertiary care, able to improve health outcomes for priority relevant pathologies that disproportionately affect the poor and account for the majority of adult morbidity and mortality gaps (e.g. cancer, cardiovascular diseases, diabetes, mental illness, rare diseases, tuberculosis).; - increasing the participation in lifelong learning activities, specifically by expanding the demand for and supply of lifelong learning quality programs (including development/revision of qualifications for priority sectors), by individual support measures (incentives, care services, etc.), especially of people belonging to disadvantaged categories (people with no/low qualification etc.);	
People with disabilities	- limited access to health and social	ESF	- strengthen the capacity of public and private service providers to deliver quality community-based care	2014RO05M9OP001



Specific target group or geographical area	Short description of the needs	ESI Funds that will be used (ERDF, ESF, CF, EAFRD, EMFF, YEI)	Main types of planned actions which are part of the integrated approach	Programme
	<p>services which are not well adapted to their special needs or their financial capacity; - limited access to quality health care, including to routine medical treatment; - limited access to labour market no adequate support for entrepreneurship/other forms of support (e.g. such as sheltered employment) for persons with disabilities;</p>	<p>ERDF</p>	<p>services for persons with disabilities (especially in lagging areas); - enhance access to quality health care and treatments for vulnerable and underserved by: focus on primary health care strengthening (community nursing/Roma health mediation and family doctors), integration of medical and social services at community level, access to quality services in ambulatory settings and emergency care; - integrated actions to address the needs by improving educational participation, integration in the labour market, access to social and health care and actions to combat discrimination; - enhancing public awareness on health and social issues, including discrimination promoting social responsibility and developing a pro-active, volunteer oriented and participative culture within the general public;</p> <p>- investments in essential health infrastructure in selected priority locations: regional emergency hospitals, county emergency hospitals, ambulatory centres and community centres/socio-medical centres;</p>	<p>2014RO16RFOP002</p>

- 3.1.6. *Where appropriate, an integrated approach, to address the demographic challenges of regions or specific needs of geographical areas which suffer from severe and permanent natural or demographic handicaps, as referred to in Article 174 of the TFEU*

#### **4. ARRANGEMENTS TO ENSURE EFFICIENT IMPLEMENTATION OF THE ESI FUNDS**

##### **4.1. An assessment of the existing systems for electronic data exchange, and a summary of the actions planned to gradually permit all exchanges of information between beneficiaries and authorities responsible for management and control of programmes to be carried out by electronic data exchange**

1169. The assessment of the existing systems for electronic data exchange, including an overview of electronic services already available for beneficiaries, has been provided within the ex-ante evaluation of the Partnership Agreement.

1170. The methodology adopted combined documentary analysis with the most appropriate qualitative and quantitative methods, consultations and plausibility checks with all stakeholders and sector experts.

1171. The documentary analysis was based on the new regulations, the procedures and regulations that are in force and the documentation on the electronic systems for data exchange. Information collected from interviews with administrators or coordinators of the electronic systems were added to the results of the documentary analysis.

1172. The evaluators prepared an efficient checklist covering the full range of factors that are relevant to the question related to electronic systems. The list covers: ease of use, reduced administrative burden, data aggregation, data quality, research options, data availability in due time, data security etc. The full data collection needed for the completion of the check list was achieved by additional tools like on-line questionnaires and a focus group.

1173. Concerning the comprehensiveness of the existing electronic systems for the 2007-2013 programming period, the evaluators underlined the following findings:

- SMIS is a web-based system used only by authorities for 6 OPs (OP ACD, OPTA, ROP, SOP E, SOP IEC, SOP T) covers the entire project life cycle and includes additional dedicated modules for programming, evaluation and audit.
- MySMIS is a web-based system that allows data exchange between beneficiaries or potential beneficiaries and authorities. It is designed for 6 OPs (OP ACD, OPTA, ROP, SOP E, SOP IEC, SOP T), is developed and tested, but not used yet. MySMIS is integrated with SMIS and covers the entire project life cycle.
- ActionWeb is a web-based system that allows data exchange between beneficiaries or potential beneficiaries and authorities, used for SOP HRD. It covers the entire project life cycle and is complemented by “ASEP”, a web-based application used for the evaluation of the proposed projects. Data is transferred electronically from ActionWeb to ASEP. It is also complemented by “SIMPOSDRU”, a system that incorporates a reporting tool allowing generation of various predefined or custom reports for the use of authorities. It extracts the needed data from the database of ActionWeb.
- MIS-ETC is used only by authorities, for all four ETC OPs. It covers the entire project life cycle and includes additional dedicated modules for programming, evaluation and audit. It is complemented by “MIS-ETC Web Application”, an integrated web-based extension comprising three modules:

- e-Submission – for potential beneficiaries – developed, but not used yet;
  - e-Evaluation – for evaluators of proposed projects;
  - e-Monitoring – for input of data by beneficiaries, about their expenditures within the project – developed, but not used yet.
- SPCDR is used only by authorities, for rural development, covering the entire project life cycle
  - SIMPOP is used only by authorities, for fisheries, covering the entire project life cycle.

### **Conclusions related to comprehensiveness of existing electronic systems**

1174. In terms of fulfilling minimum requirements stemming from the new Regulations of the European Commission for the programming period 2014-2020, the only area of concern remains the specific e-Cohesion requirement – for “full implementation of the electronic data exchange between beneficiaries and authorities”. At present, with the existing electronic systems, this area is practically uncovered. The exceptions are few and extremely limited.

1175. The MySMIS system that was developed recently and that has just undergone the testing stage, promises to solve most issues of that problem. For the 6 OPs the system was designed for, MySMIS would fulfil entirely the e-Cohesion requirements.

1176. Since rural development and fisheries are not covered by the minimal requirements of e-Cohesion, only SOP HRD and the 4 OPs for ETC (would) remain uncovered. For SOP HRD, the ActionWeb system is successfully used since 2008, but its scope is still limited at present, not covering all e-Cohesion requirements. MIS-ETC has implemented e-Monitoring, a module of MIS-ETC Web Application, but this module is even more limited, dealing only with the beneficiary's expenditures, out of the whole area of data.

1177. The Focus Group confirmed, with minority of different opinions, that MySMIS should be the one system developed further and used as the only system responding to the e-cohesion requirements.

1178. As regards the national legal framework that should support the fulfillment of the e-cohesion requirements, all key pieces are in place, being regulated by the Romanian laws relating to electronic signature, archiving of electronic documents, electronic time stamping of documents or protection of personal data.

1179. In terms of quality of the existing electronic systems, the results of this evaluation show that many improvements are needed in various aspects. As a general image, the electronic systems are in place, they fulfill the minimum requirements, but they do not excel. The area where most of the systems could be improved relates to satisfying the users' needs (predefined reports, revision in terms of features and data content as such to become more user oriented).

1180. Key recommendations made by the evaluation report are relating to finalizing implementation of MySMIS and extending it to meet the needs of the ETC and ESF type programmes.

## **Preparation for 2014-2020**

1181.The new programming period represents an opportunity to consolidate the experience of 2007-2013 in the preparation of new improved electronic systems that will fully respond to article 63(4) of the CPR regarding the exchanges of information between MS and COM, as well as to the article 112(3) of the CPR (e-cohesion).

1182.In this sense, four systems for data exchange will be developed at national level taking also into account the improvements underlined by the ex-ante evaluation.

- SMIS 2014+ / MySMIS - will cover six operational programmes (ROP, AC OP, LI OP, COMP OP, HC OP, TA OP) under the responsibility of MEF;
- an information system for the European Territorial Cooperation under MRDPA responsibility;
- an information system for NRDP and one for OP FMA, under the responsibility of MARD.

## **SMIS 2014+**

1183.SMIS 2014+ will assure the exchanges of information with COM (SFC2014) and will contain the relevant information, rules and controls for ERDF, CF and ESF as specified in the general regulation and in the delegated and implementing acts.

1184.The relevant information is related to programming/monitoring/evaluation/financial management/ verification and audit and will cover only the programmes funded by ERDF, CF and ESF, except those under the European Territorial Development goal.

1185.MySMIS (e-cohesion) has been developed recently and was designed to facilitate the electronic information exchange with beneficiaries. MySMIS is fully integrated the main regulatory elements (Note: *In accordance with Implementing act on the rules concerning electronic information exchange with beneficiaries*) of the e-cohesion related to “technical characteristics for functioning of the computer system and to reduce the administrative burden for beneficiaries”, “only once encoding principle”, “interoperability” and “all exchanges of information”.

## **Summary of actions planned**

1186.Elaboration of the system concept based on the new institutional and procedural framework and contracting the software application development services for SMIS 2014+ / MySMIS 2014+ (January-December 2014)

Developing of the electronic management system (January-December 2014)

Testing phase and enter into production of the SMIS2014+ (September-December 2014)

Training for SMIS 2014+ /MySMIS 2014+ users (September-December 2014)

Launching use SMIS 2014+ /MySMIS 2014+ (December 2014).

## **Information system for the European Territorial Cooperation Programmes (PROETC2014)**

1187. Due to obsolete technology of the older MIS for ETC, a new electronic data management system will be developed and implemented. The new system will be based on the lessons learnt during 2007-2013 period and will ensure simplification of the European territorial cooperation programs / projects management.

1188. The new electronic data management system (PROETC2014) will be developed for Romanian-Bulgaria Cross-border Cooperation Programme 2014-2020. This system will be used as pilot for the other cross-border programmes financed through IPA or ENI for which Romania fulfil Managing Authority function. It will enable interoperability with the other 3 systems for Investment for growth and jobs goal.

1189. The system will provide to potential beneficiaries on line access in order to ensure the electronic exchange of information related to projects submitted (front office). For the Managing Authorities the system will be a tool to process the information recorded by beneficiaries and manage the programme. In this way the management and implementing process of the programmes will be simplified and the administrative burden reduced.

1190. From the technical point of view the system will be developed based on the recent technologies available (open source). The main characteristics of the future system are “user friendly”, simplification, reduced administrative burden for beneficiary and managing authority’s users, upgrading facilities, data integrity and confidentiality, authentication of the users based on multi-level access, audit trail, searching information etc.

1191. The modules and basic functions of the system:

- online user registration function, module management / security of access rights and users;
- programming module with the following functions: data visualization of the program, configuration function of the calls for proposal;
- project module with the following functions: online registration of the calls for proposal, function for recording online the contracts and invoices, online registration function for reimbursement claims;
- project management module with the following functions: validation projects, project appraisal process, selection and contracting projects, monitoring function of the reimbursement claims / progress reports;
- cash flow module: function payments, debit function, function for monthly declaration of expenditure, function generation for declaration of expenditure to the EC, the management function of the loaded document;
- report generation module etc.

### **Summary of actions planned**

1192. Elaboration of the system concept and contracting the technical assistance (November 2013)

Developing and implementation of the management system (December 2014)

Testing phase and enter into production of the PROETC2014 (March 2015)

### **Information system for Rural Development Programme**

1193. In the actual common framework, the payments from EAFRD are made by 2 paying agencies PARDF and PIAA. SPARD (System for Processing Applications for Rural Development) is designed for the investments projects submitted under NRDP and is managed by PARDF. The system is based on a couple of large categories of workflows for management of the NRDP measures and horizontal workflows for the implementation of NRDP.

1194. The informatic system is modular, designed to enable its further expansion and integration with other informatic systems. The architecture of the system is compliant with the internal working procedures and the legislative framework in force at the time of implementation. The flexibility and modularity characteristics of the system allow to be adapted to the procedural and legislative changes in a relatively short time and with minimal development effort. For efficient information system infrastructure management, centralized mechanisms are implemented in terms of operation and management. The users can access the system from the workstations in the county, regional and central offices.

1195. **IACS** (Integrated Administration and Control System) is the informatic system managed by PIAA for NRDP axis 2 area related payments. Under Community legislation, the management of Community funds (EAGF and area related EAFRD measures) and supporting control applications submitted by farmers must be used as a binding instrument of the IACS. This system ensures the security and eliminates possibilities of fraud, requires specialized personnel, equipped with computers and office equipment suitable for the process of submission of applications by farmers.

1196. In case of National Rural Development Programme, due to the specificity of its beneficiaries (the lack of computers, computer operating knowledge and internet coverage in rural areas), a mandatory electronic data exchange system between beneficiaries and responsible authorities will not be set up for the next programming period (also having in view that for EAFRD this requirement is not compulsory).

1197. The current systems applicable for investment projects and area related payments will be updated based on the new design of the programme and the implementation flow set-up for each measure. The system will record key information on each operation and beneficiary selected for funding, as well as on key stages of the project implementation needed for monitoring, control and evaluation

1198. **Summary of actions planned** in this respect are:

- Analysis of the procedural influences over the actual functionalities developed in the information systems;
- Development of the requirements in view of updating the actual information systems;
- Testing and implementation of the updated information systems.

1199. In terms of administrative burden reduction the following actions are envisaged:

- availability of electronic financing and payment forms (which also have areas of automatic calculations);
- the possibility to submit electronic progress reports for monitoring purposes;
- for area related measures, on-line submission of payment applications is introduced;
- PIAA has already signed agreements with commercial banks therefor payments for natural persons will be made only through information systems.

1200. In addition, a sustained campaign for awareness and information of the target groups is intended in view of a gradual transition to usage of information systems in the relation with authorities.

1201. An important step is the interface between the two paying agencies, responsible with the implementation and payment within the programme and other administrative bodies with different roles in providing certifications, approvals and authorizations for the beneficiaries projects that will ensure some degree of simplification and reduction in administrative burden for both beneficiaries and authorities.

### **Information system for Fisheries and Maritime Affairs Operational Programme (MISFMAOP2014-2020)**

1202. The current information system MISFOP2007-2013 is designed to provide data regarding the programming, monitoring implementation, financial management, audit checks and evaluation of the programme. The main users of MISFMAOP are Management Authority, Certification Authority, Audit Authority and Paying Agency. The information for beneficiaries are provided through [www.madr.ro](http://www.madr.ro) and [www.ampeste.ro](http://www.ampeste.ro) (the progress of appraisal process, contracted projects, FOP implementing status, etc.).

1203. The architecture of the informatic system is structured by modules and cover the entire project life cycle starting with the appraisal process (project application registration, checks of the compliance criteria and eligibility, selection of the eligible applications), contracting, payments authorization (reimbursement claims registration, verification and authorization for payment, generation of the payments, issuing the authorized payments, import in the accounting system).

1204. The system could generate reports and statistics related to irregularities, debit register, funds flow from Managing Authority to Certifying Authority and to European Commission.

1205. There have been also developed a module dedicated for the management of the project submitted within FLAG which follow the same information flow adapted to the particular feature of FLAG application.

1206. The system ensures the data integrity, security and confidentiality for all users due to the multi-level granted access, and recovery management of the data base.

1207. For the future programming period technical assistance will be contracted in order to prepare the Fisheries and Maritime Affairs Operational Programme 2014-2020. This assistance will include also an analysis of the MISFOP2007-2013 in order to identify the compliance of the system with new regulations requirements and develop the system accordingly.



1208.In accordance with Implementing act on the rules concerning electronic information exchange with beneficiaries

Documents

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent By
Partnership Agreement Snapshot 2014RO16M8PA001 1.1	Snapshot of data before send	07.07.2014			Partnership Agreement Snapshot 2014RO16M8PA001 1.1 ro	07.07.2014	ntoamiha