PHARE 2003
STANDARD SUMMARY PROJECT FICHE

1. Basic Information
1.1 CRIS Number: PHARE 2003/005-551.05.01/ PHARE 2003/005-551.05.02
1.2 Title: Institution Building for Economic and Social Cohesion
1.3 Sector: Integrated Regional Measures
1.4 Twinning component: RO03/IB/SPP/01-08
   - Title: Institution building to strengthen the co-ordination function for the ESC policy design and implementation at regional level
   - Duration: 24 months (except SPP/07, which is 18 months)
   - Budget: 4.8 M €

Twinning component: RO03/IB/SO/04
   - Title: Support for strengthening the institutional capacity for the National Agency of Employment
   - Duration: 18 months
   - Budget: 0.6 M € (supplementary 0.2 M € are allocated for equipment under investment component)

Twinning component: RO03/IB/EN/01
   - Title: Support to MoWEP in preparation of the multi-annual programming scheme under the ESC
   - Duration: 24 months
   - Budget: 1 M €

1.5 Country: Romania; 8 Development Regions

2. Objectives
2.1. Overall objectives
• To develop and implement national policies and programmes of social and economic cohesion, in line with the provisions of the National Development Plan (NDP) and of Council Regulation 1266/99 on co-coordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation (EEC) no. 3906/89
• To strengthen the institutional capacity of central ministries, the 8 Regional Development Agencies and relevant local authorities to prepare for implementation of the investment support to be provided, in line with provisions regarding the Extended Decentralised Implementation Systems (EDIS) in candidate countries.
• To build the institutional, administrative and programming and implementation structures necessary to effectively manage EU Structural Funds after accession, in order to make significant progress in the negotiations on Chapter 21 of the General Acquis communautaire “Regional Policy and the Coordination of Structural Instruments”.

2.2. Project purpose
The achievement of the overall objectives will be attained through the following components that have a sectoral orientation and have the following specific immediate objectives:

A. Institution Building to Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level
• To further develop the capacities of Regional Development Agencies in each of the Romanian macro-regions as Implementing Authorities for Phare ESC programmes and as organisations capable to leading the socio-economic development planning and delivery process in their region, in line with the successful practices in Member States, giving particular importance to the improvement of the monitoring and implementation of priorities established in the National Development Plan 2004-2006.
• To elaborate improved regional strategies for socio-economic development founded up on more transparent and systematic inter-regional co-ordination as well as on partnership between the RDAs and other regional and local actors.
B. Institution Building Support for the Reform of Initial and Continuing Vocational Training

B1. Technical and Vocational Education and Training (TVET)

- To strengthen and consolidate the achievements of the reform acquired through the Phare TVET RO 9405 programme for initial TVET, as well as through Phare 2001-and Phare 2002 Economic and Social Cohesion (IB for TVET) in order to further assist in the modernisation of the rationalized TVET system and to follow up on the 2002 programme;
- To consolidate reviewed responsibilities, governance and accountability mechanisms in the provision of initial TVET in line with the social and economic development as stated in the National Development Plan and based on further recommendations acquired through IB activities of the 2001 and 2002 programme;
- To further assist in the provision of equal chances of young people to achieve relevant professional qualification comparable with those within the European Union, by providing TVET which flexibly responds to the learning needs of each individual, taking into account the institutional achievements of 2001 and 2002 programme. Special attention will be given to young people in rural areas.

C. Institution Building to Support the Small and Medium Towns Infrastructure Development (SAMTID) Programme Implementation

- To support Romanian Government to develop and implement an integrated multi-annual capital investment programme in order to improve the standards of municipal water and wastewater services in small and medium towns together with creating efficient, financially viable and autonomous integrated regional service providers in the context of a process of consolidation in the sector, in line with National Development Plan (NDP) and EU policies and practices.
- To support PCU located in the Ministry of Public Administration and PIU located at beneficiaries level in the management of the pilot phase of the SAMTID programme;
- To support final beneficiaries (groups of local authorities) in order to equip them with tools to monitor performance of their services operators, emphasising efficiency, cost-control and loss reduction, thereby enhancing the capacity of the groups of towns to plan investment programmes and assume and service debts.

D. Institution Building Support to Develop Administrative Capacity of Line Ministries to Prepare for Structural Funds

D1. Support to Ministry of Labour and Social Solidarity to Design and Implement Employment and Social Policy

- To support MoLSS in the implementation of the national employment policy on the basis of the priorities identified in the National Action Plan for Employment and in the Joint Assessment Paper of Labour Market Priorities and to identify efficient ways to enhance the regional responsibility and capability for policy design and implementation.
- To support the Ministry of Labour and Social Solidarity to start preparations for its future role as Managing Authority for Human resources development programmes under Structural Funds.
- To support MoLSS for setting up the administrative structures and for establishing the appropriate mechanisms to implement the Community Initiative EQUAL

D2. Support for Strengthening the Institutional Capacity of the National Agency for Employment

- To strengthen the institutional capacity of the National Agency for Employment (NAE) by developing a special training system for the staff involved in the implementation of active measures and employment programmes provided for in the National Action Plan for Employment, as well as in view of the future participation in implementing projects financed out of the Structural Funds.

D3. Institution Building to support the preparation and implementation of the environmental projects under ESC

- Creating and promoting the framework for environmental projects at local level
- To support the final beneficiaries in preparation and implementation of the projects in waste management field

E. Economic and Social Cohesion Project Preparation Facility

- To support the preparation of valid, mature infrastructure projects (including detailed design and tender documents) and to prepare an adequate pipeline of projects with a view to financing through
pre-accession assistance under Phare 2004 - 2006, national and regional budgets and other domestic and external sources of investments.

- To support the implementation of the SAMTID programme (water municipal infrastructure);

- To improve district heating services and enhance the environment by promoting compliance with EU environmental directives through direct support to Romanian local authorities to develop two feasibility studies, for restructuring the municipal district heating and promoting alternative solutions to existing systems.

- Accession Partnership (AP) and NPAA priority
  The project has the potential to impact on the following priorities identified in the revised Accession Partnership (adopted June 2002):
  - Adopt and implement a comprehensive public administration reform package.
  - Enhance policy formulation by consulting stakeholders – in particular social partners and representatives from civil society.
  - Stress human rights and the protection of minorities, by improving the situation of Roma, the situation of persons with handicap and to prevent and combat all forms of discrimination.
  - Increase the volume and quality of public investment, including infrastructure, education environment and health.

  - As regards Social Policy and Employment, to implement the adopted national Action Plan for Employment, commitments and recommendations identified in the Joint Assessment of Employment Policy Priorities (JAP) and ensure appropriate capacity for management of European Social Fund type projects in preparation for Structural Funds; develop capacity of the national Agency for Employment to implement active measures and employment programmes, strengthen its regional and local structures; complete and implement reform of the social assistance system, (including clarity in the decentralisation process) in line with the acquis principles: continuity of the social protection, administrative efficiency, predictability, sustainability, equal treatment and anti-discrimination; continue to support social partners’ capacity building efforts, in particular with a view to their future role in the elaboration and implementation of EU employment and social policy; improve inter-institutional co-operation, properly decentralising social responsibilities to the local level, budgetary organisation, ensuring adequate staff numbers, and effective training of personnel. Development of the institution capacity for integration of equal opportunities in all national policies and Participation at Community Initiative EQUAL; Implementation of programs to prevent and combat discrimination.

  - For the SMEs it will be considered to: implement market oriented strategy to stimulate SMEs competitiveness and sectoral programs; promote a SME-friendly economic and legal environment; review policy framework and legislation to improve the access of SMEs to investment finance.

  - Regional policy should concentrate on:
    o Develop a national policy for economic and social cohesion and, in this context, regularly update and improve the National Development Plan (furher co-ordination with the national budgetary and policy-making processes, including multi-annual programming and budgeting).
    o Set up the required monitoring and evaluation system, in particular for ex-ante and ex-post evaluation and for the collection of the relevant statistical information and indicators.
    o Strengthen the institutional and administrative capacity of the bodies in charge of programming and managing funds for economic and social cohesion, in line with the Structural Funds approach.
    o Develop the capacity to (i) select, discuss and clarify development priorities at both national and regional levels, and (ii) identify, programme, and prepare projects
    o Establish a clear division of responsibilities at national and regional level and improve the administrative capacity in terms of recruitment, career profiles and training. Improve co-ordination and co-operation between ministries, as well as between relevant agencies and social and economic partners.
    o Prepare to comply with basic financial management and control provisions as laid down by the respective regulations of the Structural Funds. Particular attention should be given to clarifying the role of the regional levels and strengthening inter-ministerial co-operation and partnership.

  - Regarding the environment it is important to: improve administrative capacity to implement the acquis particularly to enforcing capacity of the Environmental Protection Inspectorates at local level.
and the regional level as well as to co-ordination between ministries and integrate of environmental protection requirements into the definition and implementation of all other sectoral policies.

More specifically, the project addresses priorities identified in some areas of the NPAA (National Programme for Accession of Romania to the European Union, June 2002). These are:

- Short- and medium- priorities for Regional Policy and Co-ordination of Structural Instruments (4.21 of the NPAA) include: Strengthening of the partnership [principle – sic] through activities targeting the awareness of the potential partners on the role and benefits they have by participating in the elaboration and implementation of the regional development policy as well as by participation in the improvement of the programming and monitoring exercise.

- Short-term priorities regarding Public Administration Reform (Ch. 5. of the NPAA) include: decentralisation of public services and strengthening of administrative and financial local autonomy and the need to develop local public services and improve their quality in order to meet the EU requirements, notably for activities related to water and wastewater services and district heating.

- Medium term priorities of the NPAA are ensuring stable and various supply sources of energy and diminishing the negative impact of energy processes over the environment

- For Employment (ch. 4.13) there are the following short and medium term priorities: application of the labour market structural and institutional adjustments identified within the Joint Assessment of Employment Policies priorities (JAP), preparation of participation on European Strategy for Employment

- Development of institutional capacity and training the staff of the Ministry of Labor and Social Solidarity (as Managing Authority) and of the National Agency for Employment (as Paying Authority and with attributions for implementation) for participating in projects financed out of the European Social Fund (ch. 4.13).

- According to the Chapter 4.18. Education and Training from the NPAA, our country should ensure the continuation of the reform of the vocational training system. The following measures are taken into consideration: completing the legal framework by drawing up the law on vocational training, involving the social partners at all levels and the cooperation of all institutions, establishing the operational structures of the National Adult Training Board and authorizing the first centres for education and certification of professional skills, strengthening the control of the activity of the providers of vocational training services, developing a national network of authorized centres that will asses vocational competence, implementing programmes meant to train the trainers, preparing for implementing programmes such as “European Social Fund” in the domain of vocational training of work force.

- the short time priorities identified in the waste sector refers to the improvement and development of the local and regional infrastructure, essential requirement for the private sector development.

This Institution Building projects will catalyze these AP and NPAA priorities and will answer to the needs of managing multi-annual commitments according to Structural Funds standards, preparing national and regional structures to cope with pre and post accession requirements.

2.4. Contribution to National Development Plan (if applicable)
The Project will not contribute directly to the implementation of the National Development Plan, rather it will contribute to improving the quality of future plans by promoting the adoption of the partnership principle and bottom-up approaches to identifying development priorities.

This is important because the 2002 Regular Report found that:
“Significant efforts will be needed to improve the quality of the existing NDP before it can serve as the basis for a future development plan.”

The Project will enhance the MDP, the line ministries, the eight RDAs and the local administration capacity to improve the National and Regional Development Plans and to develop the strategic programming process, to allow a well-monitored implementation of the priorities designed in partnership at national and regional level.

The process of updating the National Development Plan will be achieved in strong correlation with the National Action Plan for Employment. The priorities on the labour market, identified within the National Action Plan for Employment, will be taken into account in the updating process. These priorities will become the basis for the projects financed through the European Social Fund.

3. Description
In the Strategy Paper ‘Towards the Enlarged Union’, of 9 October 2002, the Commission announced that it would propose, on the basis of the analysis in the 2002 Regular Reports, detailed roadmaps for Bulgaria and Romania, which cover the period up to accession and indicate the main steps that they need to take to be ready for membership in order to fulfil the Copenhagen and Madrid criteria.

The roadmap for Romania provide benchmarks against which progress can be monitored. These cover both alignment of legislation and development of administrative capacity. In the pre-accession period a significant step-up in the level of EU financing available for Romania is going to occur through PHARE, ISPA and SAPARD to support preparations for accession. Other resources coming from IFI or bilateral agreement with Member States will be also available for similar purpose. It is imperative that the Romanian authorities are capable of using this financial support in a way that guarantees firstly the development of administrative capacity and, secondly, the maximal impact on regional and infra-regional disparities.

The 2002 Regular Report on Romania concludes that while “Romania has made steady progress with the adoption of the acquis ... in many areas, there has been an increasing gap between progress in legal transposition and the limited ability of the Romanian administration to implement and enforce the newly adopted legislation. The overall capacity of the public administration to implement the acquis remains limited and represents a major constraint on Romania’s accession preparations. These concerns extend beyond adoption of the acquis and also apply to the management of EC financial assistance.”

Consequently, strengthening of administrative structures in order to ensure that Romania has the capacity for fully and effective use of EC funds is a priority of actions to be undertaken.

The Institution Building for Economic and Social Cohesion will focus on strengthening the administrative capacity for managing EC funds and of Structural Funds for the institutions involved, as it is stated in the Romania’s position paper for chapter 21 “Regional Policy and Coordination of Structural Instruments” and further in the Government Decision 1555/2002. A review of the assistance to the responsible bodies is presented in the Annex 4.2 “Summary of IB Projects 2000-2003 to Develop Administrative Capacity for Phare ESC and Future Structural Funds programmes implementation”. The priorities identified in the roadmap for Romania’s accession, concerning chapters of the acquis that are relevant for economic and social cohesion are included in that annex too.

Efforts currently underway to improve inter-ministerial coordination, policy development, programming, programme management and implementation, as well as financial control capacities at the national and regional level will need to continue. The absence of appropriate knowledge and skills throughout the system will impede the Romanian authorities’ ability to make effective and efficient use of this funding without sustained institution building support.

A. Institution Building to Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level

3.1. Background and justification

The European Commission’s 2001 Regular Report on Romania’s Progress Towards Accession (13 November 2001) highlight a number of areas where significant improvements are needed before progress can be made in the negotiation process under Chapter 21 of the General Acquis communautaire “Regional Policy and the Coordination of Structural Instruments. These include:

- Development of the legal instruments necessary for implementation of the EU Structural Funds after accession;
- Development of a multi-annual budgetary system;
- Development of the system of regional statistics to bring it up to the level required for regional policy planning and programming;
- Genuine application of the partnership principle for policy development and programming based on political consensus at national and regional levels, with clear definition of the ministries and all other bodies involved in preparing future Structural Fund assistance;

1 (COM(2002) 700 final)
- Structural Funds-compatible monitoring and evaluation systems and procedures, including ex-ante evaluation of the National Development Plan to support its evolution towards a Structural Funds programming document;
- Allocation of sufficient financial resources to administrative structures for Structural Funds which will operate at the regional level;
- Increased numbers of better-qualified and better-trained staff in all bodies involved in programming, management and implementation of Structural Fund and Cohesion Fund assistance – with special focus on financial staff and internal auditors.

These remarks are completed with the benchmarks established in the Romania’s roadmap for accession (Annex 4.2).

A recently ex-post evaluation of Phare ‘98 programme for regional policy, done by a consortium composed of PLS Ramboll Management, Eureval C3E (Centre for European Evaluation Expertise) and EuroIn Consulting SA was drawing the conclusions as presented below.

**Elaboration of Regional Development Plans and their use:**

- Due to time constraints, practically all Regional Development Plans prepared for the first time in 1999 (and, as a logical result, the National document) were designed in RDAs offices, with limited consultation with other local actors and institutions. MDP staff involved in this process considers that there is a clear evolution in this respect, mainly in relation with systematising the whole process and involvement and co-operation with Ministries and research institutes (GD no. 1323/Nov.2002).
- The practical use of the Regional Development Plans was rather limited; in theory, regional priorities, as presented in the Plans, should have been considered by the evaluators in assessing the applications submitted within the grant scheme, but guidelines how this criteria will be applied didn’t exist. Considering on the one hand the lack of concrete prioritisation of actions and, on the other hand, impossibility to allocate necessary financial resources, thus preparation of the National and Regional Plans was seen mainly as a theoretical exercise.
- Very little was achieved in relation with building capacity for designing and implementing realistic regional strategies and plans. As operational structures, RDAs have been involved mainly in monitoring implementation of local actions financed from programmes nationally designed and covering whole Romania. The new plan, covering the period 2004-2006 is defining the national priorities for development, and the regions should identify concrete operational measures for all or only part of priorities. RDAs will be supported in this process by the assistance received within twinning projects, which are under implementation as part of Phare 2000.
- In theory, the RDBs have clear roles and responsibilities in designing regional policies and programmes, but in practice it does not happen. The RDBs members have difficulties to apply regional development concepts and to accept to allocate resources based on regional priorities and not on county-based political interest. Since that evaluation was carried out, an evolution in this respect is registered with the support of regional twinning under Phare 2000 programme, which promote the development of partnerships at all levels and understanding of regional development concepts.

Practically no (or only limited) correlation can be observed between activities performed by RDAs / RDBs and other structures involved in implementation of other regional or sectoral programmes with regional impact.

**Development of guidelines for applicants, advertising and project appraisal**

- According to an analysis performed by WM Enterprises, the applicants were in general satisfied with the guidelines given (app. 60% of those questioned in the survey considered the quality of the materials good or satisfactory, but at the same time almost one third did not answer to this question). The applicants were not satisfied with the short length of time that they had to prepare and to submit their applications (37% of unsuccessful applicants consider the timeframe allocated as poor and only 43.7 % satisfactorily; in case of successful applicants, the percentage are 21.5% respectively 55.87%).
- Negative perception exists also in relation with the quality of the advertising campaign (considered poor and very poor by app. 43% of unsuccessful applicants and by 22% of successful people). Since ’98 awareness and promotion campaigns improve being focused and well targeted to specific measures and beneficiaries.
Evaluation and approval of selected projects was a long process, especially in case of the first call, and projects submitted in September 1999 started to be contracted only after almost 12 months (July / September 2000). There were several aspects causing this delay, among which the fact the EC Delegation rejected the first evaluation reports. This situation persisted in the 2000 programme, when 3 regions had to re-evaluate projects under SMEs component.

Implementation and monitoring of projects

- Implementation of the grant scheme was seen as having a very important impact in promoting the RDAs as structures directly and concretely contributing to the socio-economic development.
- Implementation of the grant scheme resulted in valuable and practical experience acquired by RDAs staff.
- Starting with January 2001, the Practical Guide for Implementation of PHARE, ISPA and SAPARD has entered into force. This document introduces some major changes related to both organisation of calls for proposals and financing selected projects that results in an increase of the financing risk faced by MDP / RDAs in case of failure or bad implementation of the projects.
- This also results in an increased responsibility for MDP / RDAs staff in selecting and monitoring the projects, which in turn requires clear and detailed procedures as well experienced people involved in the processes.
- Roles and co-operation between MDP and RDAs / RDBs are still not completely clarified and even operational related mechanisms are not properly integrated (e.g. MIS at regional and national levels).

The more recent conclusions and recommendations of RDAs assessment capacities compliance with EDIS, carried out by DOMINUS, had also a perspective beyond EDIS geared towards structures and resources required to manage EC instruments at the time of accession.

The main conclusion of this assessment is that the “Regional Development Agencies are making strategic progress on the way to developing an institutional structure consistent with the aims of Economic and Social cohesion, as expressed in various policy documents of the European Commission. However, Institutional capacity to manage the SF/CF will require years of determined efforts and resources”.

The fields, identified by the above-mentioned assessment, where RDAs need more support and assistance are:

- To meet the requirement of having a well-defined system for managing the funds with internal rules of procedure, clear institutional and personal responsibilities
- To meet the requirement of effective internal controls including an independent audit function and an effective accounting and reporting system which meets internally accepted audit standards.
- Monitoring and evaluation which have not yet become integrated into the policy programming cycle in Romania to the extent that will be necessary to exploit the Structural and Cohesion Funds to their fullest. Specially focussed effort is needed to achieve the required integration.

As regarding regional planning and programming, the assessment report is mentioning:

- Because of delays and inappropriate timing the various Phare instruments have not achieved their maximum potential impact. This is a major challenge for the definition and timing of future assistance to the RDAs. To overcome this difficulty the Regional Development Agencies should play a decisive role in the choice of the Type and Timing of future support instruments.
- Good coordination is absolutely essential for an effective structural funds system; this is one of the major overall issues underlying the recommendations.

A fully inclusive, participatory approach to planning – the partnership principle – is at the core of regional development. Adoption of the same principles is also central to Romania’s preparations for Structural Fund assistance. The 2002 Report (as the 2001 too) again returned to this issue and identified continuing weakness (“No major developments can be reported with preparations for implementing the partnership principle…..”).

Hence the Romanian authorities need not only to develop capacity for effective implementation of increased levels of Pre-Accession assistance under the 2003 Institution Building for Economic and Social Cohesion Component, but they must also begin to build the actual structures, procedures, processes and human resource capabilities to be used for EU Structural Funds after accession.
As the national twinning project in Phare 2002 has the aim to coordinate the monitoring and implementation of Phare ESC programmes and to prepare the main documents, National Development Plan, and procedures for preparing Structural Funds effective management and implementation after accession, the 2003 regional twinning projects will complement this process. Support to the RDAs for implementation of 2004-2006 programmes and to improve and design the regional strategies in order to develop the capacities to play their role in the pre-accession period, as well as, in Structural Funds implementation. The project will also address the need to ensure that regional planning becomes more inclusive, requiring a stronger commitment to applying the partnership principle.

3.1. Linked activities
See Annex 4.1.

3.2. Results
Results with indicators of achievement are included in the Logframe matrix (Annex 1(a)).

1. Enhanced knowledge and understanding of regional development and capability in the practical application through inclusive planning and delivery approaches, firmly implanted in local authorities and RDAs.

2. Effective co-ordination and information dissemination mechanisms established and operational at and between local, regional and national levels;

3. Inclusive regional partnership structures, reflecting the key themes of regional development and the needs of the RDAs, created and functioning effectively

4. Improved capacity of RDAs in programming, promoting, monitoring and implementing the multi-annual Phare ESC 2004-2006 according to EDIS rules

5. Enhanced regional capacity to design Regional Development Plans, with better defined priorities and measures based on ex-ante evaluation and environmental impact assessment

6. Improved pipe-line of infrastructure projects identified and prepared with necessary documents, established according to clearly defined selection criteria

3.4. Activities
Regional Development Agencies (RDAs) are critical to the future of EU supported regional development in Romania. The RDAs have a crucial role to play in identifying and promoting the strategic development of Romania's regions, including rural development on the basis of: their regional economic analysis; and the partnerships which they are able to develop with other key local and regional stakeholders.

The RDAs will carry out, separately from the twinning project, regional socio-economic analysis to be used in the design of 2007-2013 strategy and programmes.

In order to support RDAs to perform their role as implementing authorities for EU pre-accession assistance and preparing their role in Structural Funds implementation, the following activities are envisaged:

1. **Knowledge and understanding of regional development, EU policies and Structural Funds**

   The Regional Pre-Accession Advisors and twin MS experts will undertake training needs assessment and training modules design in accordance with the Programme for Regional Development Training 2001-2005.

   Training will be delivered to target groups (RDAs staff and other key regional actors) on regional SWOT analysis, cost-benefit and risk analysis, ex-ante evaluation, environmental impact assessment, equal opportunities and labour market. Training of RDAs' personnel and other identified target groups in EU policies, Structural Funds, and on design and implementation (technical and financial management of funds, monitoring, mid-term and ex-post evaluation) of Regional strategies and measures

   Working with twinning advisors to carry out these activities, RDAs staff will get “on-the-job” training that contribute to improve their capacities of designing and managing training programmes. Monitoring and
reporting on implementation of training activities carried out according to the Programme for Regional Development Training 2001-2005.

2. **Effective coordination and information dissemination**
This will focus on developing the capacities, systems and tools for RDAs to assume their coordination role as Implementing authorities for programmes/measures and to set up the framework for monitoring their implementation.

Working with Regional Development Board members and other regional stakeholders to build consensus around regional development strategies and supporting the RDAs at establishing their legitimacy as responsible body for leading regional partnerships in the field of economic and social development.

3. **Functioning regional partnership structures**
Initiate awareness on regional development at local and regional levels, and, enhancing and improving the structure and activities of the working/thematic groups set up under the regional twinning projects Phare 2000,

Organisation of workshops, round tables with regional partners to facilitate the introduction of a participatory planning approach. Correlation and inter-institutional partnerships to be developed and continuously insured with the national level.

4. **Develop capacities of RDAs in promoting, monitoring and implementation of multi-annual Phare ESC 2004-2006 regional programmes, according to EDIS rules**
Assistance to RDAs in the formulation of a marketing strategy for regional plans and to attract foreign direct investment will be provided.

Carry out joint work with all regional and local stakeholders, in order to enhance the regional capacity to improve the Regional Development Plans, to develop strategic programming process and to allow a well-monitored multi-annual implementation of the priorities designed in partnership at national and local level for 2004 – 2006. Workshops with RDAs and other partners to understand principles of EU support for regional development and appraisal and selection of projects will be organised and corresponding procedure will be developed.

Develop monitoring procedures integrated with national monitoring systems, including financial monitoring and control, to insure a transparent and proper financial control in compliance with the requirements of Structural Funds Regulations. Production by the RDAs, with twinning partner support, of Structural Funds-compatible Annual Implementation Reports for the Phare 2004-2006 ESC investment measures in their regions to feed into national Annual Implementation Reports, as a test of capacities to implement future Structural Funds.

Counselling and assisting the RDAs to meet the requirements needed to assume the role of an European type Regional Development Agency.

5. **Improvement of regional plans 2004-2006 based on ex-ante evaluation and environmental impact assessment**
Undertake ex-ante evaluation of regional plans for 2004-2006 and organize workshop to present the findings of the evaluation, drawing up lessons to be taken into account in future programming. Evaluation of the degree to which the environmental issues have been taken into consideration in all parts of 2004 - 2006 regional plans, (i.e. in its diagnostic and strategic parts and in the parts concerning its implementation and monitoring) by undertaking environmental impact assessment of regional plan for 2004-2006 and organise workshop for awareness raising and to disseminate the conclusions and lessons learnt.

6. **Creation of a pipeline of regional infrastructure projects in accordance with the Regional development Plans and the 2004-2006 Phare multi-annual document**
The twin MS institution, PAA and STE will provide support and training to RDAs and local authorities in the identification of local/regional infrastructure projects and project prioritisation, in compliance with EDIS procedures and in the context of 2004-2006 Phare programming priorities and preparation for Structural Funds.
Counselling, training, and jointly working with the RDAs and other key regional stakeholders in preparing feasible infrastructure projects: feasibility study, cost-benefit analysis, market research study, risk and sensitivity analysis, environmental impact study, etc.

**Selection criteria of the Member States' regional institutions**

Given the wide range of regional structures operating in the Member States, and their various status and responsibilities, the following criteria have been designed for selecting the relevant Member States regional institutions:

The MS institutions submitting their twinning offers will belong to the regional administrations in their country of origin, having specific technical skills and expertise in the following fields:

- Management and implementation of EU Structural Funds Regional Operational Programmes (ROPs) in relevant Objective 1 regions of the bidding Member State;
- Partnership building at regional and local level;
- Training to apply the systems and procedures developed for programmes management and implementation; training in skills related to regional development and Structural Funds;

The Member State institutions will jointly work with the RDAs and related regional partnership structures in the process of NDP 2004-2006 implementation and preparation for the Structural Funds.

Together with the RDAs and the regional and local stakeholders, they will be actively involved in designing, implementing and monitoring regional socio-economic strategies, programmes and projects.

Jointly with the RDAs they will work in the implementation of all activities and, in the achievement of the results provided by the Twinning Project Fiche. Also they will develop a permanent cooperation and correlation with the national institutions, mainly with the MDP and the national twinning project and team.

They will have specific technical skills and expertise in the following fields: regional economic planning and regional socio-economic development, European Structural Funds and related policies (agricultural and rural development, European employment policy, competition, environment, equal opportunity, public procurement); programming and financial management, projects operational and financial monitoring, projects appraisal and selection and programmes evaluation, partnership building and partnership leadership, regional marketing, business promotion and attracting foreign direct investments, development of large infrastructure projects, territorial zoning, cluster identification and development, project financing schemes (investment funds, credit schemes, guaranteed funds).

These institutions will carry on their activities in a territory of a sufficient size to allow relevant transfer of knowledge and experience. (NB. Romanian Development Regions correspond to European NUTS II level)

**Member State inputs**

The achievement of these activities and results will be granted through:

* The provision of long-term pre-accession advisers (24 months)
* Medium and Short-term expertise (full CVs attached to the twinning offers)
* The placement of key RDA's staff in twinned EU regional institutions (max. 3 secondments/study-tours for max.4 persons/each)
* The delivery of training programmes in line with the approved Training Strategy

Furthermore, where the assistance is to focus on the members of the RDBs and local politicians, politicians serving on the boards or management committees of the Member States regional institutions will be the ones to deliver assistance.

The twinned Member States regional institutions will also be expected to support their Romanian partners in a number of other ways:

* Information on EU programmes and initiatives;
* Copies of useful publications and documents which will help the Romanian RDAs to up-date documentation in their libraries;
* Facilitate direct contacts and twinning between sub regional level of public administration from Romanian regions and Member State Regions
Regional PAA profile
• Track record of Structural Funds (ERDF and ESF) management and administration and/or implementation, in his/her country of origin, under relevant past or present Objective 1 Regional Operational Programme, covering both strategic as well as monitoring and financial aspects. This implies as well track record in related European policies as competition, environment, equal opportunities, public procurement, evaluation and financial control European Employment strategy, Agricultural and rural policy.
• Strong knowledge of Romanian socio-economic environment, of Romanian institutional and administrative structures, at national and regional level;
• Proven ability to manage complex programmes of economic restructuring and regional development.
• Proven ability to work in a team, in the capacity of team leader and to co-ordinate the work of team members.
• Proven ability to adapt and to translate the twin MS experiences and ways of working, in another administrative and cultural environment.
• Proven technical and administrative skills in managing and implementing Twinning or Technical Assistance projects in Candidate Countries is an asset;
• Proven solid experience in working at regional level in a Candidate Country is strongly desired;
• Excellent command of written and spoken English language

Short term experts profile:
• Highly qualified MS experts with proven ability to adapt and to translate regional experiences that they have acquired in their countries of origin and ways of working in another administrative and cultural environment;
• Capacity to organise and sustain partnerships at regional level;
• Highly qualified in regional economic planning;
• Experience in infrastructure projects financed from Structural Funds
• Excellent command of written and spoken English language;
• Proven experience in other CC is an asset (twinning and/or technical assistance);
• Good knowledge in the field of Foreign Direct Investments and regional promotion will be an asset;
• At least one short-term expert shall have strong and proven expertise on issues related to environment and assessment and evaluation of the impact the measures to be implemented under the Regional Development Plans 2004-2006 could have on environment.

No short-term experts’ mission could be less than 10 working days.

There will be one covenant concluded for each region with a maximum budget of 600,000 euro. Total amount for this component is 4.8 Meuro.

The Member States are strongly encouraged to apply for more than one region, conditioned on provision of one PAA for each region. It is not acceptable that the same PAA will work for two or more regions.

Candidate Country inputs (Minimal obligations for each Regional Development Agency):
• An adequate office space - for the PAA, the PAA Assistant and the medium and short-term experts, equipped with:
• Adequate furniture (office desks, chairs, filing cabinets etc.)
• 1 static telephone with international line;
• the items purchased and used under the Regional Twinning Covenants RO2000/IB/SPP/01-08, such as: mobile phones, printers, desktop computers and laptops – if any - etc)
• RDA’s local area network access for the PAA, the PAA’s Assistant and the medium and visiting short-term experts;
• 1 desktop PC for use by short-term experts, connected to the RDA’s local network and internet;
• Small office supplies

For special project needs and training, each RDA will provide access to other equipment, such as:
• Multimedia and retro projectors, screen and flipchart;
• Access to a color printer and scanner
Also, during the whole lifetime of the regional twinning projects, access to a photocopier, fax and appropriate space for meetings/training will be secured.
B. Institution Building Support for the Reform of Initial and Continuing Vocational Training

B1. Technical and Vocational Education and Training (TVET)

3.1. Background and Justification
The TVET system aims to respond in a dynamic and flexible way to the increasingly changing demands of the community at large, resulting from economic developments and from specific measures for social cohesion as defined by the government policy.

The proposed project represents the continuation of the Phare 2001 and 2002 – Social and Economic Cohesion – TVET, and it is based on the previous achievements of Phare TVET programme RO 9405 and its generalization policy. At the end of the EU Phare TVET programme RO 9405, in December 1998, the system of vocational education and training was partially completed (levels of vocational schools and post-high schools), and clear recommendations left for generalization and the completion of the whole system.

At national level the project is aiming at adjusting the whole TVET system to enable schools to respond to the education and training needs at local and regional level. This by providing initial education and training, lifelong learning, as well as training on demand. The provision of education and training has to be sustainable and of good quality, comparable with European standards. The project wants to ensure the coherence of the national TVET system and as such counteracting disparities between regions as well as assuring the quality of TVET provision all over the country.

At local and regional level the project is aiming at TVET schools to learn to respond to the education and training needs of individuals, those of the community at large and the business community in particular. As such TVET schools will contribute in a pro-active and flexible way to economic growth and social cohesion of the area they are serving.

New developments of the educational system requires new adjustment of the TVET system, as the Ministry of Education and Research launched the proposal of extending compulsory education from 9 to 10 years. According to the new extended duration, the TVET system will be consolidated through developing two TVET pathways, one leading to the third level of qualification, part of the high school education, and an integrated three level training offer, with 3 exits corresponding to the three European qualification levels, as follows:

I.
1. grades IX –X, compulsory TVET leading to 1st level of qualification, which can continue with
2. grade XI, post-compulsory TVET, leading to 2nd level of qualification, which can continue with
3. grades XII-XIII, post-compulsory TVET leading to 3rd level of qualification

II.
4. grades IX-X, compulsory TVET leading to recognition of competences, which can continue with
5. grades XI to XII/XIII, post-compulsory TVET leading to 3rd level of qualification

These amendments will affect the role of the TVET school clusters, including their marketing strategy, so that they have to reconsider their position and to motivate young people for a whole TVET career, instead of offering short training segments of parallel qualifications, as it is now.

At the same time, the pressure on student progress and mobility throughout their life career is sustained by the conclusion of the Lisbon Council (March 2000) and the subsequent Memorandum for lifelong learning insist on learning for all and throughout the professional activities. The conclusions of the Lisbon European Council confirm that the move towards lifelong learning must accompany a successful transition to a knowledge-based economy and society. According to the Commission and the Member States, lifelong learning is no longer just one aspect of education and training; it must become the guiding principle for provision and participation across the full continuum of learning contexts. This project is intended to empower students to access learning in rapidly changing contexts and to give immediate response to local/regional contexts.

Moreover, the Bruges process of enhanced VET as well as the Copenhagen Declaration, which was endorsed by the Conference of the Ministers of Education in 30 November 2002, insist on the following main priorities:

- **European dimension**, as to raise the profile of the European education and training area in an international context so that Europe will be recognised as a world-wide reference for learners.
• **Transparency, information and guidance**, as concerns the access to learning, vocational education and training, and the transferability and recognition of competences and qualifications, in order to support occupational and geographical mobility of citizens in Europe.

• **Recognition of competences and qualifications**, as developing reference levels, common principles for certification, and common measures, including a credit transfer system for vocational education and training, including validation of non-formal and informal learning with the aim of ensuring greater compatibility between approaches in different countries and at different levels.

• **Quality assurance**, as concerns the exchange of models and methods, as well as common criteria and principles for quality in vocational education and training, and giving attention to the learning needs of teachers and trainers within all forms of vocational education and training.

All these developments are concerned with strengthening TVET as to better respond to the new challenges of an open European labour market, to make TVET systems more compatible as training and work experiences should be recognizable and transferable.

The present project adds a special focus on the assistance the 122 TVET schools will ensure to schools in rural areas. This particular attention to rural areas results from the conclusions of the 2002 study of MoER and the Institute of Educational Sciences, as well as from the JAP chapter 3 highlights, which show large drop outs and low participation rate in secondary education in rural areas, including abandonment of apprenticeship schools due to lack of resources and job perspectives. In the current context, encouraging a longer duration of compulsory education including basic TVET leading to qualification at the first level, as well as the perspective of regional and local administration and development of human resources, it is expected the graduates who decide to remain in their localities to have the needed skills to perform jobs required by local economic agents, like farms, agro-tourism pensions and small and medium scale industries.

There is a significant proportion of students in rural areas (47% of students at compulsory school age is enrolled in education within the rural areas) and the schooling capacity is very limited.

The present project aims at ensuring a good nucleus of TVET expertise at the school level, in order to sustain the results of the three-year Phare programme. Its focus is therefore much more regional and national in scope compared to Phare 2001 and 2002, which restricted their intervention to selected priority areas.

The present project will also continue to address the needs of target groups such as young people with disabilities, in order to support their gradual integration in the normal school setting.

According to the multi-annual strategy of the Ministry of Education and Research, having the main actions included in the National Development Plan, and based on the estimated results of previous Phare 2001 and 2002, the Phare 2003 project will specifically cover as follows:

• Institution Building for 100 TVET schools and 22 resource centres to cover corrective actions, impact evaluation, policy recommendations for generalization strategies and for the transfer of the experience to the entire network of TVET Romanian schools.

• Institution Building for TVET schools in rural areas ensured through the 122 TVET schools assistance

### 3.2. Linked activities

See Annex 4.1

### 3.3. Results

The present project represents a third phase of IB activities already started during Phare 2001-and Phare 2002 Economic and Social Cohesion –TVET.

The specific results of Phare 2003 aim at strengthening the entire management and training capacity of the 100 TVET schools, which have been selected according to defined methodologies in the previous Phare 2001 programme and continued operating during Phare 2002. In the mean time, schools from the rural areas involved in the networks organised under the project will be assisted to improve their TVET provision.

The need for VET institutions acting as resource or support centres at the regional and local level was already stressed by the *Feasibility Study* that grounded the TVET projects of IB and Investment under
Phare 2001. An additional Study will be elaborated by the TA under the Phare 2002 ESC – IB component to give an accurate image of the functions these resource centres should play especially in rural areas.

Besides 100 schools, the project will maintain the network of the 11 resource centers within the priority areas and 11 resource centres outside those areas that operated during Phare 2001 and Phare 2002, whose aim is to provide training and assistance to TVET schools for the whole range of groups of occupations. The resource centers represent the core of the TVET reform all the way through PhareTVET RO 9405, Phare 2001, 2002 and 2003, in order to assure sustainability of measures, and support an even distribution of innovation within the TVET system.

All 22 resource centres previously acting during Phare 2001 and Phare 2002 will be prepared to serve as local know-how centres of the MoER, under the assistance of NCDVET, for all issues regarding national Training Standards, national TVET curricula, National Register of Qualification, and Certification and Accreditation Procedures for TVET providers.

The Annex 4.6 is displaying specific results of Phare 2003 for different interventions of schools operating during this project

1. Study on the positive influence of the enhanced TVET in the selected areas and regions
This study will examine the contribution of TVET to ameliorate some of the economic and social problems encountered at the local and regional level in the 11 target areas, as far as the openness and attractiveness of new qualifications for young people are concerned. This study will give inputs for further programming of MoER, as well as to the local and regional human resource development plans.

2. New adjustments of the school offer for providing modern TVET adapted to emerging occupations
This specific result represents a continuation of Phare 2001 and 2002, and illustrates the continuous adaptation of TVET to the requirements of local & regional and national labour markets. This means that all selected 100 TVET schools will continue to adjust their curricula as well as marketing for initial TVET at all levels with relevant qualifications and up-to-date skills, responding to the needs of their communities in partnership with local enterprises, and in cooperation with employment agencies and local authorities. VET schools in rural neighbourhoods of the 100 selected schools will adopt the revised and adjusted new curricula according to the models, structures and methodologies elaborated during Phare 2001 and 2002. Moreover, their specific function will be to develop school-based programmes to assist young people in rural areas.

The 22 resource centers and NCDVET will assist VET rural schools in revising curricula and teacher training methodologies, in order to better adapt the educational offer to various needs. All revisions and elaboration of curricula, as well as small training schemes for curriculum development should be provided by TA.

3. Further Implementation of quality assurance instruments
- Quality assurance instruments, as finalised by Phare 2001 and implemented during 2002 in the 100 schools will be implemented in the rural VET schools with the assistance of the 22 resource centres. Eventual revision of quality assurance methodologies and instruments to be provided by TA.

4. Consolidating the capacity of the resource centres for the extension of the school network
- 22 regionally distributed TVET schools will act as teacher training and methodological advise centres in their communities, and assist rural schools to actively participate in local and regional school networks.

5. Textbooks development
Textbooks elaborated for main subject areas according to the revised curriculum (except of school based component) will be completed with relevant learning material to be used by students in the classroom in all 100 TVET schools and resource centres, including the rural ones. These packages of textbooks and learning material will be proposed for approval and generalisation in the whole TVET system. Further development of textbooks if necessary will continue according to the MoER methodology.

Electronic versions of all developed textbooks will be provided to the whole TVET system. Preparation for using the adopted textbooks in the rural VET schools, members of school networks. TA will be in charge with textbooks development. Assistance for the didactical use and methods of teaching will be provided by the TA.
6. Working with Enterprises by partnership at the local level for adapting curriculum to the market (all schools involved)
- Local networks (per region) of the selected 100 TVET schools will be assisted to reinforce their active partnerships for curriculum development, use of equipment, management and planning, vocational guidance, and develop their marketing capacity.

Additional TVET schools in the rural neighbourhood will be assisted to join the school network in order to ease their contact with the enterprises at the local and regional level; specific assistance will be provided by the 22 resource centres in helping those rural schools to implement the recommendations of the previously adopted Model of School partnership Action Plan (Phare 2002).

Advise and training of the school actors and social partners will be provided by TA and local experts.

7. New agreements between the 100 TVET schools and the enterprises for cooperation in view of ensuring “first job facilities” according to the occupational profile and the degree of insertion in the market. The beneficiaries represent graduates of the school unit of the 100 units previously developed through Phare 2002.

Development and use of these cooperation packages will be under TA responsibility.

8. Strategic review of the programme and possible amendments of the new programming cycle 2004-2006
Report on the current state of affairs as regards the response of the VET system to the intensive change exerted during the three Phare projects (2001 through 2003). The report will be submitted to the Steering Committee.

9. Annual revision of the Regional Education Action Plans, to include the schools in rural areas
Regional Education Action Plans adapted to the specific regions in which the TVET schools are operating. The REAPs will refer to both TVET schools and resource centres operating through 2001 and 2002 and to schools in rural areas.

10. Extension of staff development for the 100 schools and 22 resource centres
- Additional training of teachers for various specialisations, to use IT based didactics
- Training of additional 50 teacher trainers already trained during Phare 2001 and Phare 2002, to implement student centred teaching methodologies

11. Staff development for the additional 50 TVET schools assisted by the 22 resource centres
- Additional training for management: approximately 50 school managers: directors and/or deputy directors for organisational development
- Training of 100 teachers for applying interactive learning according to the revised new revised curricula and for the use of the new equipment, including for students with special needs
- Training of 100 teachers (teaching various subjects,) to use distance education packages and to advise on the individual use of various courseware to individual students
- Additional training of 42 inspectors to implement the quality assurance programmes

12. Monitoring of the implemented curricula in all 100 TVET schools and 22 resource centers.
Staff of the 22 resource centres help in arranging meetings and evaluation of the progress that students made in using the new curricula. Instruments for quality assurance are used (e.g. indicators) and various good practices are discussed.

Effectiveness of the school based curricula (developed during Phare 2002) are also examined in order to continue facilitating the provision of training in response to local and regional markets.

The 2 resource centers assisting TVET for students with special needs will arrange periodic meetings and evaluation of good practices from various schools that showed effectiveness in integrating students with special needs.

All evaluation of quality to be done with the assistance of TA, NCDVET and local key actors.

13. New adjustments of learning modules for students with special needs who are in the process of integration in normal school setting
All 100 VET schools and 22 resource centres will continue to examine and adjust the training modules adapted to the needs of young people with physical, social or mental disabilities in view of their integration into normal settings. (adopted during Phare 2002).
The schools in rural neighbourhood will benefit from these experiences and adopt validated modules under the assistance of the resource centres.

All adjustments will be monitored with the help of TA and local experts.

14. Strengthening the capacity of schools in developing lifelong learning competence of students

For the 100+ 22 TVET schools and resource centres

- In situ training of teachers for the of IT in all 122 schools and resource centres equipped during Phare 2002 and Phare 2002 for adapting curricula and developing learning materials, also for the development of distance education models

- Further training and assistance of 100 teaching staff in the 100 VET schools (previously operating during Phare 2001 and 2002) for using courseware and distance education material

For schools in rural neighbourhood

- 100 teaching staff of schools in rural areas trained for the use of the learning material for the purpose of distance education (training packages in the 15 basic training fields)

15. The institutional capacity of the NCDVET to support modern TVET centres and schools strengthened

NCDVET responds to new functions and roles in sustaining the innovation in the TVET system. In this respect, it will constitute a national pole working closely with the 22 resource centres, which will benefit from direct systematic advice. To responds to this role, NCDVET will consolidate its regional and local coordinators position, in order to provide immediate assistance to local school network, especially for rural neighbourhoods.

All 22 resource centres previously acting during Phare 2001 and Phare 2002 will be prepared to serve as local know-how centres of the MoER, under the assistance of NCDVET, for all issues regarding national Training Standards, national TVET curricula, National Register of Qualification, and Certification and Accreditation Procedures for TVET providers.

The website already developed and maintained will help to connect the NCDVET to schools and resource centers, and share all significant information on school improvement.

16. Additional study visits on the policy issues regarding TVET and emerging labour market organised for additional 50 persons of Regional Consortia for both TVET development and human resource development in the region.

30 experts and regional coordinators of NCDVET and MoER to disseminate and exchange on the TVET issues in EU and future member states

17. Dissemination

- 2 regional seminars inviting TVET representatives from TVET institutions and schools in Central Europe, Southern Europe and Western Balkans, with TA and ETF assistance-
- 7 regional packages of documentation (information about the consolidation of the 2001 results and the new activities of 2002) for media and other stakeholders prepared and revised monthly or in connection to specific events of the programmes.

3.4. Activities

Planning of the activities for the overall Phare supported TVET reform covers a long–term perspective of three consecutive Phare programmes. The multi-annual perspective allowed a better absorption of funds and enough time for implementing the results of the first Phare 2001 programme, whose purpose was to revise the system of TVET as far as the structures and the content are concerned. The long-term perspective corresponds to the planning integrated in the NDP.

Phare contribution 1 MEuro represents Phare funding for IB in 2003, for the whole range of VET schools and resource centers. This project fiche covers the budgetary commitment for Phare 2003, based on the estimated needs of further assistance for institution building that were identified by the Ministry of Education and Research through the National Center for Technical and Vocational Education
Development (NCDVET), together with the Ministry of Development and Prognosis. The estimation is consistent with the expected results of Phare 2001 and Phare 2002 projects.

An additional Study on the impact of TVET for the Economic and Social Cohesion will be elaborated by the TA under the Phare 2003 ESC – IB component to give an accurate image of the returns of TVET for communities and regions.

The TVET component will include an amount of 40,000 EURO designated to the equipment procurement, out of the total of 1.0 Meuro EURO, for the PIU (NCDVET) premises. This equipment will be mainly used to equip some regional offices of NCDVET (offices linked to the Regional Consortia), serving to arrange meetings and training seminars in the region and to assist resource centres.

The equipment to be procured, as estimated at this stage, will include:

The Office equipment is representing the minimum provision for the Bucharest headquarters and the 7 regional offices. This equipment includes: 5 PCs (1 GHZ, 128 MB PC 133, HDD 20 GB 5400 RPM, CASE ATX 350 W, FDD 3.5", VIDEO CARD 32MB AGP, SB AC 97, CD ROM 52X, Network CARD 10/100 UTP, WIN 98 LICENSE + 17" 1280x 1024 TCO 99 OSD FULL DIGITAL), 3 laptops (866 MHz, 128 MB SD RAM 10 GB HDD, 56k, 10/100)  5 printers, 5 copy machines (17 cpms A4 and A3, RMV 6,000 cpl, manual and automatic paper feeder, zoom 50 – 200%)  1 telephone with modem and fax (14.4 kbps modem, 21 pag memory, including tel & support, ADF 20 pag, answering machine, 10 one touch dial, 20 coded dial, auto-redial, delayed transmission, polling) and 4 telephones, 3 video projectors (portable XGA 2750 lm), 3 fax machines (14.4 kbps modem, 21 pag memory, including tel & support, ADF 20 pag, answering machine, 10 one touch dial, 20 coded dial, auto-redial, delayed transmission, polling), 3 mobile overhead projector, 1 photo digital camera (optical zoom 35-105 mm + digital zoom 2x 1,320,000 pixel CCD image sensor, 3 flesh modes, programmed image control modes, 8 MB compact flash memory, vcard for resolution 1,280 x 960 pixels large, USB I/F interface, USB cables for PC/Mac, video – OUT CABLE, 8 MB CF card, camera strap), 1 video camera (LCD 2.5" ZOOM 25X700X). A vehicle to ensure the traveling facilities for the experts who have to assist all regions: 5 seats, 4x4, cylinder capacity 2000-2500, roomy body, the trunk in particular, Diesel engine, ABS assisted braking system.

**Specific activities for Phare 2003 are as follows**

**Evaluation of the positive influence of the enhanced TVET in the selected areas and regions**

- TA will conduct the Study on the positive influence of TVET for HRD planning in the selected areas and regions.

- **Strategic review of the programme** - Report of the outcomes of the Phare 2002 programmes and proposed corrective actions

- TA will elaborate the report and submit it to the Steering Committee

- Development and Adoption of the revised Regional Education Action Plans (REAPs) by the Regional Consortia for further implementation of measures concerning the link between TVET and regional development. REAPs are elaborated at regional level by institutions that are part of the Regional Consortia and use existing data of reports and studies produced by local governmental bodies such as the County Council, the County Employment Agencies and the County School Inspectorate, by the independent employers or Employers Associations and Trade Groups, i.e. Chambers of Commerce, and/or by research institutions (such as National Observatory, Institute for the Quality of Life, Universities, etc)

- TA to elaborate guidelines to apply relevant actions defined by the REAPs

- Development of local, school based components of the curriculum and related standards for training on new trades and professions for all levels

- TA and local experts to assist developers in elaborating and implementing the competencies and the subject themes according to the measures and priorities set by the Regional Education Action Plan.

- Development of projects for schools to further participation in local networks

- TA to provide expert advice and design the networks
• Development of teaching and learning materials to facilitate individual learning
  TA to draft the technical specifications and elaborate the packages
• Extension of Phare 2002 training on student centred teaching methodologies
  TA to elaborate the methodologies

• Extension of development of teaching and learning materials to facilitate individual learning for
  students with special needs in order to gradually integrate them in the normal school setting. Special
  attention will be paid to rural and remote areas people.
  TA to draft technical specifications and elaborate the packages
• Extension of Phare 2002 training on teaching students with special needs
  TA to prepare training packages
• Further development of measures recommended by the activities assured by the 2001 and 2002
  programmes for implementing TVET quality assurance instruments, with a special focus on schools in
  rural and remote areas.
  TA to provide implementing models and training for relevant actors
• Further development of textbooks for defined subject areas and electronic versions made available by
  publishers
  TA to draft technical specifications and check the quality of final products.
• Adaptation of learning to lifelong learning schemes by means of:
  – Development of teaching and learning materials to facilitate individual learning as distance
    education model
  – Development of workshops in the local enterprises for the integration of students with learning
    disabilities, to allow them to deepen their training
  – Training of teachers to develop the concept of the training firms in the schools
  TA to draft technical specifications, elaborate materials and provide relevant teacher training
• Training of teachers and school managers for participative planning education based on forecast of
  both labour market and individual learning needs
  TA to provide expert advice, draft technical specifications, provide and check the quality of training.
• Establishing a training programme on organisational development for TVET schools acting as
  community resource centres with a purpose of regenerating the local economy
  TA to prepare the training and to implement the organisational models
• School networking and inter-assistance
  The 100 VET schools have been encouraged to form groups with other VET schools in the vicinity,
  especially in the rural areas, facilitating sharing knowledge and experience gained through the project.
  Wherever possible the groups have represented a wide spectrum of occupational families within the three
  main profiles: resources, services and technics, relevant to their area.
  Rural VET schools will learn to act as community resource centres by means of projects developed
  through local school networks.
  TA to elaborate and implement the networking schemes, and advice the schools for inter-assistance
• Exchange of experience and transfer of experience in EU and other countries in Central and
  Southern Europe, by means of study visits.
  TA to organise the visits and follow-ups.
• Maintaining and updating the website set-up during Phare 2001 by NCDVET, to link schools and PIU
  and facilitate institutional communication on a daily basis. The website will enable teaching staff of
  TVET schools and resource centers, as well as specialists of the NCVETD to share knowledge and
  experience in view of continuously updating TVET provision.
• Dissemination will take place through publications, seminars and conferences for members of consultative bodies, authorities and the media in order to support the dissemination of the programme TA to draft and launch media packages, and organise media events at the central, regional and local levels.

• The NCDVET provides assistance to the schools and resource centers in all issues related to the implementation of the Phare 2001, 2002 and 2003 activities

C. IB to support the SAMTID programme implementation

3.1. Background and Justification

After a period of more than four decades of centralized management, Romania has decided to return to local autonomy principle, in this way transferring major and concrete responsibilities to the local administration. One of these, specifically mentioned in Law no. 215/2001 concerning the local public administration, enforced by the Law no. 326/2001 regarding the local public services, refers to their obligation to organize their operation and management in an efficient and adequate manner. In this context, the Ministry of Public Administration has assumed important responsibilities in promoting the investments in the field of local services. Thus, in compliance with the provisions of the Government Decision No. 8/2001, the Ministry of Public Administration has the following responsibilities in this field:

- organize actions for attracting external investments in the benefit of local communities;
- support and advise local public administration authorities in the process of attracting investments;
- monitor the process of attracting investments and accomplishment of conditionalities;
- support local public authorities in contracting internal or external loans and in providing financial guarantees.

Currently 17 municipalities, each with more than 150,000 inhabitants, have been part of capital investment programs for rehabilitation of their water and wastewater infrastructure. A significant number of these municipalities also obtained funds through the ISPA Program to continue the rehabilitation and modernization of the water supply and wastewater systems. Bucharest and Ploiești municipalities concluded concession contracts with private operators and succeeded in this manner to attract external capital for financing of their local infrastructure. In total, 50% of the urban population of the country benefit from these programs.

In Romania, out of 263 urban localities, around 230 are considered small and medium sized towns that have not been able to attract financing either from international financial institutions or from private operators. Depending, therefore, solely on central budget contributions, these towns have invested very little for the past 10 years to maintain and develop their water and wastewater infrastructure. As a consequence, the condition of these systems is very poor. Given all this, they still need to:

- comply with environment standards regarding drinking water quality and treatment of wastewater;
- assure an adequate living standard to their inhabitants and a continuous water supply.

The “Strategy concerning the acceleration of the public administration reform”, approved through the Governmental Decision no. 1006/2001, established the fundamental objectives for the development of the local public services:

- decentralization of public services and increasing responsibility of local authorities regarding the quality of the services supplied to the population;
- extension of the systems for basic services (e.g. water supply, wastewater and sanitation) and increasing access of the population to these services;
- extension of credit financing for local infrastructure;
- promotion of sustainable development measures.

The “Strategy regarding the development of the local public services” foresees in chapters 4.2 and 4.7:

a) “Expansion of the services with major impact on public health and standard of life (water supply, wastewater and sanitation)"

The poor condition of existing infrastructure makes access of the population to these services difficult. The Government intends to improve the access of the population to these services through:

- promoting investment programs for rehabilitation, extension and modernization of the water supply systems, wastewater, collecting, transport and disposal of domestic waste from urban area (ISPA, SAMTID);
- implementing development programs for rural infrastructure (SAPARD, RDP).
b) “Promoting sustainable development measures”

Local public services have a special impact on the environment. On one hand they can be an important pollution factor, but on the other hand they also can contribute in an essential way to limit the degree of pollution (adequate treatment of wastewater and improved solid waste collection and disposal). Compliance with environmental requirements during the life cycle of local infrastructure (building – operating – maintaining – demolition) plays an important role in the concept of sustainable development. For this, the Government intends to:

- provide financial support to those programs with measures for development of environmental infrastructure (ISPA, SAPARD, RDP, SAMTID, TECP2, etc.);
- promote special programs for small towns with the purpose of rehabilitating and modernizing local environmental infrastructure.

The Government views the transformation and modernization of the water and sanitation services in these towns as a long-term effort. Even with focusing on the most urgent needs to rehabilitate and upgrade water and wastewater systems, SAMTID may need a full decade to reach most of the towns. The government is committed to implementing this program in three phases in order to achieve the following coherent multi-annual specific objectives:

- to commercialise the water and wastewater services provision of small and medium towns on a voluntary basis, through the creation of efficient and financially viable and autonomous integrated regional services providers, as free from political influence possible;
- to improve the performance of the operators and raise the water and wastewater service standards through capital investment for rehabilitation and modernization and assistance programs, while promoting the application of cost recovery principles.

The SAMTID Program include three phases:

**Phase 1: Pilot** - Starts in 2003, a design stage to establish the foundation elements, followed by an application stage to test this elements on a pilot basis for five groups of municipalities, and prepared for future projects taking into account the lessons learned.

**Phase 2: Expansion** – Depending on the progress of the pilot phase, the program will be adjusted and expanded to a wider number of groups of municipalities within the context of the framework loans by the international banks that finance these first two phases.

**Phase 3: Consolidation** – This will built on the expertise gained during the pilot and expansion phases. A new framework facility can finance modernization in additional municipalities as well as other investments needs such as system expansions for the participants in the initial phases.

This project will have two components, each responding to a requirement of a sound management of SAMTID program:

- Management support to national coordinating body, Project Coordination Unit established at this level and Project Implementation Units established at the level of final beneficiaries (groups of local authorities);
- Financial and Operational Performance Improvement Program (FOPIP) directed as a first priority at the nine to twelve groups of towns selected for the current phase of SAMTID investment support and the operating companies that serve them. FOPIP will provide technical assistance to improve the capacity of the selected groups of towns to monitor the performance of their service operators, emphasising efficiency, cost-control and loss reduction, there by enhancing the capacity of the groups of towns to plan the investment programmes and assume and service debts. Appropriate training on management and operational issues will also be provided to services operators themselves. Following work with initial groups of towns, this project assists other groups of towns to establish FOPIP programmes as part of their preparations for receiving SAMTID support.

After the pilot phase started under Phare 2002 programming year, the program will be adjusted and expanded to a wider number of groups of municipalities within the context of the framework loans by the international banks that finance these first two phases. Subsequent requests for Phare resources will be made for this. IFI's will provide additional funding for investments from the framework loans they will put in place for these two phases.

3.2. Linked activities

See Annex 4.1.
3.3. Results

- Improved capacity of the national coordinating body to manage the implementation of SAMTID in the expansion phase;
- Improved overall co-ordination of the SAMTID programme, by PCU;
- Better management by the Project Implementation Units at the beneficiary level in implementing their projects, and monitoring the implementation at national and regional level by MDP and RDAs;
- Shared knowledge and experience gained through the pilot & expansion phase of the program;
- Enhanced capacity of the local authorities in monitoring the technical and financial performance of their operators and setting up tariffs in order to ensure full recovery of debt service through a Guarantee Fund/Reserve Account and requirements for a Maintenance Replacement and Development fund (MRD).

3.4. Activities

C1. Support to national coordinating body in implementation of SAMTID

In order to implement this sub-component, the following activities will be undertaken:

- Support to the Steering Committee;
- Support to the PCU in Ministry of Public Administration;
- Assistance in setting up and training the PIUs at the beneficiaries level;
- Support for the PCU and PIU in monitoring and controlling the projects and in reporting to different levels;
- Support to the Regional Development Agencies, MDP and Selection Committee in selection and monitoring of projects for an efficient implementation of SAMTID program.

C2. Financial and Operational Performance Improvement Program

In addition to setting plans and targets with operators, the Financial and Operational Performance Improvement Programme should equip associations of municipalities to monitor the performance of their service operators. This will build the chain of responsibility for repaying debt that extends from users to operator and further to borrowing associations of municipalities.

Under this sub-component the following activities will be undertaken:

- Support local authorities to establish and monitor operational and financial performance requirements with their operators, in order to ensure the flow of funds to service debt and finance a MRD fund; Support local authorities to set up a set of operational and financial performance to be monitory in relationship with their operators, in order to ensure the flow of funds for debt service paying back and MRD fund;
- Monitoring and reporting on the performance of the utilities and their compliance with conditions in their loan agreements, and recommending up-dating of these conditions;
- Train PIUs’ and operators’ staff in FOPIP concepts and in practical implementation of these concepts;
- Prepare and disseminate Guidelines on financial and operational performance improvement issues;
- Share knowledge and experience gained through the project among all current and potential beneficiaries.

Groups of towns benefiting of SAMTID investment assume an obligation to undertake to closely monitor and seek to improve the performance of their service operators, and in this respect an element of self-financing should be introduced into training and human resource development for the towns and operating companies. FOPIP will require a partial contribution towards training costs on the part of the beneficiaries.

Romania’s utilities involved in MUDP I and II offer a very rich experience that needs to be transferred to the small towns. The national regulatory benchmarking system will help provide reference points for the associations of municipalities.

Romania needs systematic ways to transfer experience to the smaller utilities and institutionalise on a permanent basis the philosophy of FOPIP. There are several approaches that TA establishing SAMTID will investigate various approaches to do this, make proposals and then facilitate implementation. This could include:
1. Utilise the expertise that has already been developed in the PIU’s that have been established for the implementation of MUDP, ISPA and RDP

2. ARA organises a programme to train and direct teams of executives from host utilities to establish FOPIP improvements for beneficiary utilities that request this assistance and contribute to defraying expenses. The host utilities donate the time of their executives. One concept could be to use EU and/or USAID resources as seed capital to start a self-financing scheme institutionalising the QualServe approach as a permanent Romanian instrument of horizontal collaboration among water utilities that also can facilitate the work of local consultancies and training institutions.

3.5. Lessons learned:

From the previous municipal investment programmes, especially from MUDP II, some lessons have been learned:

<table>
<thead>
<tr>
<th>Previous Projects</th>
<th>Lessons Learned</th>
<th>Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUDP I &amp; II</td>
<td>Importance of municipalities assuming as much implementing responsibility as possible</td>
<td>Infrastructure Development Organizations of towns should take this responsibility.</td>
</tr>
<tr>
<td></td>
<td>Value and need for adequate technical assistance</td>
<td>Dimension according to experience and request Phare support.</td>
</tr>
<tr>
<td></td>
<td>The population accepts cost-recovery when they are involved in planning and company managers learn sound business principles.</td>
<td>Provide technical support and monitoring of a Financial and Operational Improvement Program, linked with the financial covenants of the loan component and the new regulatory framework.</td>
</tr>
<tr>
<td></td>
<td>Commercial Bank of Romania as efficient in managing cash resources</td>
<td>Recommend the same role through open bid for a bank.</td>
</tr>
</tbody>
</table>

All these lessons learned will be incorporated into SAMTID programme and will be taken into account by the TA supporting the SAMTID programme.

D. Institution Building Support to Develop Administrative Capacity of Line Ministries to Prepare for Structural Funds

D1. Support to Ministry of Labour and Social Solidarity to Design and Implement Employment and Social Policy

3.1. Background and justification

A) Strengthening the administrative capacity of the Ministry of Labour and Social Solidarity and of the National Employment Agency to design and implement employment policies


Horizontal objective A – Raising the rate of employment

Government activity in the labour market has as its main objective the raising of employment of the active population. The suggested measures are meant to stimulate the creation of new jobs while continuing the processes of privatisation and restructuring at a high pace, thus producing a decrease in unemployment.

The objectives of the Government Programme in the field of employment until the year 2004 are:

1) to raise the rate of employment
   - to adopt the EU Employment Guidelines;
   - to increase employment;
   - to develop the entrepreneurial spirit of the employers and job seekers;
   - to increase labour mobility, flexibility and adaptability;
   - to guarantee equal opportunities;
2) measures to support unemployed people
   - to implement insurance measures for unemployment;
- to shift the accent from the passive to the active measures in unemployment security policies.

The Joint Assessment Paper adopted by the Romanian Government and signed at Bucharest on October, 28, 2002 by the Minister of Labour and Social Solidarity and the European Commissioner for Employment and Social Affairs underlines that is necessary to “Pursue efforts to strengthen capacity building in the administration in general and develop an appropriate institutional framework for regional employment policy and for the implementation of pre-accession and ESF support in co-ordination with the other structural funds. This includes an appropriate training of the staff involved.”

**Concerning the assessment of the regional aspects of employment policy, it specifies:**

*Romania should rapidly implement concrete measures to ensure an appropriate capacity building for an effective management of the pre-accession and ESF support.* This should include the training of civil servants in relation to EU structural policy, and ESF procedures and management, in accordance with their competence and role in the ESF administration system in Romania.

According to the Governmental Decision no.1555/2002 concerning the designation of the institutions and organisms responsible with the coordination, implementation and the financial administration of the community financial assistance through structural instruments, art. 10 – *Ministry of Labour and Social Solidarity* is designated *Managing Authority for the Sectorial Operational Programme (SOP) for employment and social policy*, and art. 11 – *National Agency for Employment* is designated *Implementing Authority for the Sectorial Operational Programme (SOP) for employment and social policy*.

**B) Tackling discrimination and inequalities in the labour market**

Romania, as a candidate country, needs to establish appropriate mechanisms to implement European programmes as accession to the European Union approaches, including the participation in the Community Initiative EQUAL.

Romanian JAP has identified a number of priority areas where progress is needed and where monitoring should be carried out in the context of the Employment Policy Review:

- Implement existing strategies to better ensure the integration of ethnic minority groups, in particular Roma, on the labour market and monitor carefully its outcome.
- Continue the implementation of the legislation and measures to ensure equal access to the labour market for all persons irrespective of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.
- Progressively develop bipartite dialogue and ensure that tri-partite co-operation plays its role so that social partners can effectively contribute to employment policy and labour market reform.
- Pursue efforts to strengthen capacity building in the administration in general and develop an appropriate institutional framework for regional employment policy and for the implementation of pre-accession and ESF support in co-ordination with the other structural funds. This includes an appropriate training of the staff involved.

Designing special programmes for groups of people who are confronted with difficulties integrating in the labour market: young people from placement centres, people with disabilities, the Roma, former prisoners etc. Such priorities are fit for an Equal-type intervention.

They are also covered under the NAPE’s Guideline 7 - Combating discrimination and promoting social inclusion by access to employment. Its objectives are:

a) Elaboration and application by the central and local authorities of practical measures to prevent discrimination based on disability or ethnic origin.

b) Facilitation of priority access to employment to groups and people at risk of exclusion, to disabled people and Roma persons.

c) Change of employer mentality and responsibilities with regard to workforce recruitment; curb and eventually eliminate any manifestation of or hidden discrimination against disabled persons and Roma population.

Taking into account the importance of the EQUAL thematic approach for the labour market development in Romania, the future implementation of the European Employment Strategy, as well as the Ministry of Labor and Social Solidarity responsibility in the ESF type of programs management, the Minister of Labor and Social Solidarity approved the participation of Romania to the European Union program – Community Initiative EQUAL (2002 – 2006). Through the participation at the Community Initiative EQUAL we can carry out the commitments assumed within the Position Paper of Romania Chapter 13 – Social Policy and Employment, referring to tackling discrimination and inequalities in the labour market and equal opportunities between men and women.
The main goal for Romania is to participate to the EQUAL Initiative as soon as 2007 (upon accession).

3.2. Linked activities
See Annex 4.1.

3.3. Results
Results with indicators are included in the Annex 1-Logframe matrix for IB 2003 (d1).

A) Strengthening the administrative capacity of the Ministry of Labour and Social Solidarity and of the National Employment Agency to design and implement employment policies

1. The Ministry of Labour and Social Solidarity and the National Employment Agency (Programme Coordination Unit) will have
   - Improved capacity to manage the implementation of HRD schemes, in line with JAP recommendation and NAPE priorities (50 persons trained on project cycle management);
   - A system of net impact analysis in place (10 persons are trained on how to carry out a net impact analysis and the procedures for net impact analyses have been developed);
   - Better planning and management skills of the 8 Programme Implementation Units (PIUs). They will be assisted to draft the Regional Employment Action Plans (on-the-job training) and 40 persons will be trained on project cycle management;
   - Increased management and implementation capacity of PIUs and county and local employment agencies (200 persons trained on appraisal and selection, monitoring and evaluation of HRD projects.

2. - Improved PCU and PIUs ability to encourage and promote partnership for local employment promotion initiatives, (1 awareness raising seminar will be organized in each region, followed by 2 workshops/region involving 200 persons from the Ministry of Labour and Social Solidarity, National Employment Agency and their territorial structures, the social partners and local authorities);
   - Strengthened responsibility and capacity of the regional and county authorities to promote local employment potential through partnership.

3. - 8 Regional Employment Action Plans drafted. They will identify the priorities and the measures for fighting unemployment and creating new employment opportunities;
   - Improved information flow, between the participants to the elaboration of the Regional Employment Action Plans in the 8 regions;

4 Regional and local proactive employment initiative concept integrated into national policies. The identified regional priorities will be taken in consideration when revising the National Employment Action Plan.

5. PCU and the 8 PIUs will have an adequate infrastructure for a proper implementation of the HRD schemes and the dissemination of information between the participants of the program and to the project promoters;

6. Action plan for administrative capacity development, in line with requirement of Regulation 1266/99, drafted

B) Tackling discrimination and inequalities in the labour market

1. Improved capacity of MoLSS and NAE to implement EQUAL programme. The Romanian implementation structures will include all the elements required by the European Commission for the EQUAL Initiative implementation, excepting the trans-national dimension.

2. Documentation for projects submission (national guidelines for promoters, application forms), assessment (evaluation criteria), selection (selection procedures), projects implementation (financial and administrative rules including reporting), monitoring (both content and financial aspects) developed.

3. Impact assessment analysis (evaluation ex-ante, evaluation strategy, key indicators, ongoing and ex-post evaluation) developed.

4. Development Partnerships and capacity for implementing projects for vulnerable groups created.

3.4. Activities
A) Strengthening the administrative capacity of the Ministry of Labour and Social Solidarity and of the National Employment Agency to design and implement employment policies

1. Assistance to the Ministry of Labour and Social Solidarity and the National Employment Agency (through the PCU) to improve its capacity to design and implement employment policies: 50 persons will be trained on project cycle management;
2. Development of procedure for net impact analyses and training of 10 persons in the MLSS and the NAE trained on net impact analyses;
3. Assess the ongoing local employment projects taking into account the local labor market situation, the economy potential of the region, existing development plans and policy priorities;
4. Assistance to the 8 PIUs to identify employment priorities at regional level, on the basis of the best relevant EU experience and to draft the Regional Employment Action Plans. The development of the Regional Employment Action Plans will involve all stakeholders (social partners, school inspectorates, chambers of commerce, RDAs etc). 40 persons will be trained on project cycle management. The plans will take into consideration the priorities identified in the Regional Development Plans;
5. Training of 200 persons in the county and local employment agencies in selecting, monitoring and evaluating HRD projects. This activity will build on the results of the 2002 twinning, one of the objectives of which is to design monitoring procedures for ESF projects;
6. Identify existing local employment initiatives and partnerships and evaluate their strengths and weaknesses, propose ways to stimulate such initiatives and partnerships. Workshops and seminars will be organized involving 200 persons from MLSS, NAE and territorial structures, social partners local authorities etc). A partnership model for employment promotion will be developed.
7. Design recommendations for an information flow among the organizations participating in the elaboration of the Regional Employment Action Plans.
8. Assist the MLSS and the NAE to develop a system for consolidating the results of the Regional Employment Action Plans in the NAPE;
9. Assist the PIUs in monitoring the projects selected.

Arrange 2 study visit to EU countries and/or CEECs to share experiences and training for the PCU and PIUs project staff focusing on:
- selection, monitoring and evaluation of ESF or ESF-type projects;
- planning HRD programmes at regional and local levels;
- partnership models and local employment initiatives as efficient proactive labour market tools;
- Dissemination of best practice projects and establishment of networks of employment initiatives and partnerships.

10. In order to ensure that the MLSS will have the capacity of assuming its role in the implementation of this programme - at least as Implementing Authority - the technical assistance will provide the Ministry with an action plan related to administrative (re-)organisation, equipment and staffing needs and training plan, organisation of a management information system, financial control arrangements, monitoring procedures, relationship with the Ministry of Finance and the Ministry of Development and Prognosis, relationship with the RDAs and the local bodies of the National Agency for Employment. This plan will take into account the requirement of Regulation 1266/99, in order to support MoLSS preparation for accreditation. A PPF under Phare 2002 will undertake a gap assessment for MoLSS structures and its final report will become the background for the action plan development.

B) Tackling discrimination and inequalities in the labor market

Technical Assistance to support the Programme Coordination Unit and the Development Partnerships

On 14 April 2000 the Commission of the European Communities approved the Communication (COM(2000)853) establishing the guidelines for the Community initiative entitled EQUAL, stating the rules according to which the Initiative is implemented in all European Union Member States.

The aim of this sub-component is to support the national structure (NAE - PCU) necessary for the selection and monitoring of the EQUAL-type of projects (including the ex-ante evaluation team), as well as the selected DPs in the implementation of their projects.

The Technical Assistance (TA) team will undertake the following activities:
- **Assist the PCU** throughout all the phases of the programme development and implementation, from preparation activities and specific activities for Action 1;
- **Preparation** of the programme for the implementation of EQUAL, known as the “Community Initiative Programme” (CIP), supplemented by the Programme Complement. The key topics to be covered by CIP are:
  - Introduction and brief summary;
- The labor market;
- The policy context;
- Priority themes;
- Leading principles of EQUAL;
- Actions under EQUAL;
- CIP implementation;
- Financial issues;
- Monitoring and evaluation.

In the preparation of the EQUAL CIP, TA will take into account the three specific recommendations from experience in current Member States:

- Involve high level officials;
- Involve stakeholders from the beginning;
- Check national legal framework.

- **Preparation and selection for Action 1:**
  - Introduce the Focus of EQUAL - dissemination & awareness;
  - Providing information to potential applicants;
  - Development of application forms and guidance;
  - Organize call for proposals for Development Partnerships (DP);
  - Selection procedures;

The TA will develop impact assessment analysis (evaluation ex-ante, evaluation strategy, key indicators, ongoing and ex-post evaluation).

The TA will assist PCU to elaborate the national guidelines for promoters; application forms; evaluation criteria; selection procedures; financial and administrative rules, including reporting; monitoring procedures.

- To prepare the conditions for promoting the DP idea, to create DPs, the TA will explain the purpose of the DPs, through:
  - 1 seminar – 100 participants, organised at national level, 1 workshop for each region, 30 participants and 2 information events at national level;
  - 2 study-tours in MSs to exchange experiences.

- **Implementing Action 1:** Its objective is to facilitate the creation or the consolidation of durable, effective Development Partnerships (DPs) The work carried out in Action 1 will be to inform the preparation of one key document by selected DPs: the "Development Partnership Agreement" (DPA). PCU together with TA will establish the list with the selected DPs.

  The Action 1 will have the following phases.
  - Delivering Action 1;
  - Monitoring Action 1;
  - To create links with Action 2 (this action will be developed within a future project Phare 2004).

**General provisions**
At the start of the project, the PCU and the 8 PIUs should be in place.

The PCU at national level is a joint team composed of experts from MoLSS and NAE. One PIU will exist in each region, having the office in the same locality as the corresponding RDA. PIU staff includes representatives from the County Employment Agencies in the region and from the corresponding RDA.

An amount of 150.000 EURO is designated to the equipment procurement, out of the total of 1,5 Meuro for the Technical Assistance.

The equipment to be procured, as estimated at this stage, will include:
Office furniture: 16 desks, 8 table, 8cupboards, 8 bookstands, 16 chairs; 8 flipcharts, 8 pin boards, necessary to be used by the experts who will work simultaneously in the programme.

A vehicle to ensure the traveling facilities for the experts who have to assist all regions: 5 seats, 4x4, cylinder capacity 2000-2500, roomy body, the trunk in particular, Diesel engine, ABS assisted braking system.

The Office equipment is representing the minimum provisions that have to exist in the main TA location in Bucharest and in the 8 PIU offices where the regional activities will take place. This equipment includes: 5 +8 PCs (1 GHZ, 128 MB PC 133, HDD 20 GB 5400 RPM, CASE ATX 350 W, FDD 3.5″, VIDEO CARD 32MB AGP, SB AC 97, CD ROM 52X, CD WRITER, Network CARD 10/100 UTP, WIN 98 LICENSE +
D2. Support for strengthening the institutional capacity of the National Agency for Employment

3.1. Background and justification:

- The main beneficiary of this project is the National Agency for Employment, including its territorial structures.
- The first National Action Plan for Employment, worked out under a twinning project with the relevant ministries from Germany and the Netherlands, will ensure the framework for implementing at national level active measures and employment programmes in accordance with the EU employment guidelines.
- One of the main priorities identified under the twinning project is the urgent need to have a sound training system within the NAE as a key point for the further development of employment policies in Romania. "A National Training Center has to be set-up and groups of training experts (trainers) have to be created both at national and each county level" is one main recommendation included in the final report of the project.
- At the same time, following an analysis of the labour market, the National Action Plan for Employment will establish the strategy and the main priorities for the working-out of the Sector Operational Programme for social policy and employment.
- According to Government Decision No.1555/2002 on the appointment of the institutions and bodies responsible for co-ordination, implementation and management of the EU's financial assistance from Structural Instruments, the National Agency for Employment has the role of Implementing Authority for the Sectoral Operational Programme for social policy and employment, eligible for financing out of the European Social Fund. In order to facilitate the access to projects financed out of the European Social Fund, it is necessary to provide adequate training for the staff involved in these activities.
- Therefore, staff training is crucial for a good functioning of the National Agency for Employment and for the delivery of a wide range of services for various clients. The setting-up of a training center within NAE, despite it might be considered by some observers as an expensive investment for short-term, will obviously prove to be very useful and costly-efficient on a longer term and will enhance the overall administrative capacity of the Romanian Public Employment Service at national, regional and local level.

3.2. Linked activities

See Annex 4.1

3.3. Results:

3.3.1 General results:

- Creating a sound training system for the NAE's own staff
- Establishing a fully functional National Training Center for the NAE's own staff

3.3.2 Specific twinning results:

- comprehensive evaluation study of the existing training needs for the NAE's own staff, as well as a short and medium-term forecast that would allow for the proper set-up of training guidelines will be in place by September 2004;
- an improved institutional capacity of the National Agency for Employment to implement the employment measures and programmes included in the National Action Plan for Employment, developed on an annual basis in accordance with the European Employment Strategy, to be completed during the covenant period;
• a fully equipped and operational National Training Center, set-up within the NAE, will be completed by March 2005;
• training materials worked-out and multiplied; training software, where appropriate, identified and purchased by March 2005;
• an operational own staff assessment and further upgrading system, suitable for implementing employment programmes in accordance with the EU guidelines, managed by the NAE, to be completed during the covenant period;
• a better-trained staff within the National Agency for Employment in order to manage and operate the employment programmes included in the National Action Plan for Employment, as well as the projects financed out of the European Social Fund, to be completed by June 2005;
• a better administrative capacity for implementing internationally funded projects will be completed during the covenant period;
• a team of trainers from national and county level, selected and trained, will be in place by March 2005.

3.4. Activities:

Two measures have been identified to support this Institutional Building Programme:
• Strengthen the NAE's capacity to assess, train and upgrade the relevant skills of its staff both at national level and in its territorial structures, by creating a sound training system
• Establish a fully functional National Training Center for the NAE's own staff

The detailed timescale for implementation of each measure will be determined between the twinning partner and beneficiaries during the negotiation of the covenant agreement.

Measure I: Strengthen the NAE's capacity to assess, train and upgrade the relevant skills of its staff both at national level and in its territorial structures, by creating a sound training system

The twinning partner will work together with the NAE in developing a number of studies on the own staff training systems of similar institutions from EU Member States.

This will form the foundation for developing a comprehensive and integrated own staff training system, capable of assessing, training and upgrading the skills of the NAE's staff from its central and territorial structures, as well as of working-out mid-term forecasts on the future HRD trends and on the training needs.

Assistance will also be required in selecting and training a group of trainers in managing and implementing employment programmes included in the National Action Plan for Employment, as well as in implementing programs financed out of the European Social Fund, taking into account that the National Agency for Employment has been appointed as Implementing Authority, from the time of accession, for the Sectoral Operational Programme for social policy and employment.

• Key staff employed within the NAE's Human Resources Directorate will require support in working-out and implementing coherent measures for organisation and administration of the NAE's human resources. Also, there has been identified a need for training a small number of trainers in some general skill areas, such as general management and foreign (EU) language proficiency, in view of the NAE's future participation in the EURES network of EU Public Employment Services, and in line with the medium-term EC recommendation, included in the Road map for Romania: "Strengthen public employment services with a view to participate in the EURES network. Emphasis should be put on language training for staff". Therefore, we have identified the need to organise training courses in:
  • Romanian legislation in the field of labour and employment;
  • active measures' implementation
  • general management
  • human resources: organisation and management
  • specific operations of the NAE's integrated IT system
  • foreign language proficiency, in view of the future participation in the EURES network
  • EU legislation in the field of employment, structural funds and ESF in particular, the EURES network and co-ordination of social security systems
  • European Employment Strategy
  • ESF operations
Measure II: Establish a fully functional National Training Center for the NAE's own staff

Based on the organisation of such centers within the EU Public Employment Services, the assistance will mainly involve providing guidelines on the proper set-up, within the NAE, of a fully equipped and operational National Training Center for the NAE's own staff.

The initial focus of this measure will be targeted at identifying adequate training and accommodation facilities for the Agency's staff that will undergo training.

It is envisaged that such facilities would include 4 classrooms with a capacity of at least 20 trainees each, a library with up-to-date training materials and a language training lab. Since there will be only one such Training Center for the staff from the all 42 of the Agency's territorial structures, there will also be a need for an auxiliary building accommodating a dorm with at least 20 bedrooms, each having 3 beds, a mess hall with a capacity of at least 60 people, and a fully equipped kitchen.

Assistance will also be required for providing technical specifications for the buildings' rehabilitation and for the endowment with furniture, training equipment, software and materials.

Recommendations on the organisation and functioning of such comprehensive Centre will need to be elaborated. The details of the training programmes and curricula to be offered will be agreed once a detailed training needs assessment has been completed.

A detailed list of equipments needed for the Training Center will be finalised at a later stage (perhaps with the support of the twinning partner) since it will obviously depend on the building to be identified and made available for this purpose. Anyway, here is an indicative list of equipments that may be purchased during the project implementation, for an estimated capacity of 60 persons:

1. Office equipment: PC’s (50), laptops (3), printers (5), copy machines (3), scanners (3), etc.
2. Classroom equipment: tables (60), chairs (60), flip-charts (3), videoprojectors (3), blackboards (3), etc.
3. An audio installation for simultaneous translation, for the language proficiency training.

The activities will be implemented within a twinning project with a length of 18 months.

The project budget is 1,000,000 Euro, out of which Phare twinning contribution is 600,000 euro, equipment supply 200,000 euro from Phare contribution and 200,000 euro NAE's own contribution, as shown in the following table:

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare (=I+IB)</th>
<th>National Co-financing</th>
<th>I F</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Measure I:</td>
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<td>Strengthen the</td>
<td>400,000</td>
<td>400,000</td>
<td>75,000</td>
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<td>475,000</td>
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<td>NAE's capacity</td>
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<td>to assess, train</td>
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<td>and upgrade the</td>
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<td>relevant skills</td>
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<td>of its staff</td>
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<td>• Measure II:</td>
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<td>Establish a fully</td>
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<td>275,000</td>
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<td>functional National</td>
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<td>Training Center</td>
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<td>Equipment/software/</td>
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<td>furniture endowment</td>
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<td>800,000</td>
<td>200,000</td>
<td>1,000,000</td>
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</table>

Selection criteria for the Member States’ partner institution

The MS institutions submitting their twinning offers will preferably belong to central structures of Public Employment Services in their country of origin, and will have specific technical skills in the following fields:

• Co-ordination, management and implementation of HRD strategies;
• Organisation and functioning of PES own staff training facilities;
• Development and management of own staff training systems.
PAA profile
The key position is requiring a person of exceptional commitment, knowledge and ability, with a strong background and experience in:

- HRD strategies: assessment, programming, management and implementation, including strategic, financial, as well as operational and control aspects;
- European policies and institutions, as well as awareness of Member States specific own staff training structures and national arrangements for HRD strategies' implementation;
- EU and MS twinning partner’s central public administration and structures;
- Organising and moderating seminars, training courses, conferences.

Also, the PAA should have:
- Proven ability in assuming a responsible and fully participative role in leading and working on long-term and complex projects, in organising and conducting working groups and broad partnerships;
- Excellent command of English

Short-term (advisors) experts:
- Short-term, highly qualified MS experts will undertake the projects activities, with the constant support and guidance of the PAA
- There are specific requirements for short-term experts to come from the designated Public Employment Service (PES) in the twinned Member State.

3.5. Lessons learned
One of the main priorities identified under the twinning project for the working-out of the first Romanian National Action Plan for Employment is the urgent need to have a sound training system within the NAE as a key point for the further development of employment policies in Romania. A National Training Centre has to be set-up and groups of training experts (trainers) have to be created both at national and each county level.

D3. Institution Building to support the preparation and implementation of the environmental projects under ESC

3.1 Background and justification
Since 1993 Romania has undertaken efforts for transposition, implementation, enforcement and control of the European legislation but the progress registered was slow due to the importance and gravity of the problems encountered.

Concerning the environmental protection sector, Romania is transposing, and implementing the acquis. The negotiations under Chapter 22 are ongoing
However, in the last years, the efforts have been intensified and important progress has been noticed in the field. While the transposition process is on the right track now, difficulties are encountered in terms of implementation and control, due to reduced administrative and institutional capacity of the responsible authorities. Besides, the EU environmental acquis includes a lot of different pieces of legislation, several of them having heavy financial consequences, hard to cope with due to insufficient financial resources.
Considering the environmental situation in Romania, the compliance with EU Environmental acquis is one of the most difficult challenges that Romania is facing on its road to accession.

It is foreseen that during the upcoming programming, in addition to institution building, Phare funds will be increasingly targeted to financing economic and social cohesion projects, which have a greater emphasis on investment. In addition, the aid recipients will be representing the private sector and the non-profit sector instead of the central government.

According to Phare 2000 Review, two challenges for Phare for the period 2000-2006 are identified:
- Delivering on the Past Reforms
- Moving to Structural Funds

“In summary, the principal developments proposed in this Communication that build on the existing Phare system are:
• To move a differentiated basis to multi-annual programming for 2002-2006 for all Phare support, where the national Development Plans and the National Programmes for the Adoption of the Acquis warrant such an approach.

• To increase the use of schemes (equivalent to “measures” in the Structural Funds) under economic and social cohesion but to tighten up on their management

• To rise absorption capacity with substantial project preparation support

In moving towards the programmatic approach of the Structural Funds, grant schemes have been introduced in the framework of Economic and Social Cohesion investments. Grant schemes must address a clear priority within the National Development Plan. Projects should be clearly defined and only proposed for financing when they are ready for implementation.

The Ministry of Waters and Environmental Protection will provide support and assistance to RDAs, at their request, for the completing of the projects individual fiches that include an environmental component.

The proposed IB project will support the MoWEP to prepare the framework of the multi-annual programming for 2004-2006 in the field of environmental protection and to design grant schemes for each environmental sector. It will provide support in project preparation and implementation.

3.2. Linked activities
See Annex 4.1.

3.3 Results
Two types of assistance are envisaged to support MoWEP

3.3.1 Twinning to support MoWEP in preparation of the multi-annual programming scheme under ESC
The following results will be achieved by the common work of the Romanian and Member State’s experts:

• Preparation of multi-annual 2004-2006 programming concept for the financing of local environmental projects through grant schemes including definition of precise types of projects, selection criteria, rates of assistance...

• Establishment of a grant scheme at national level to provide support for the local preparation (definition of rules and procedures)

• Successful implementation of the 2003 grant scheme for local projects in waste management field, including review of evaluation reports (transparency of selection process, respect of eligibility criteria, compliance with state aid rules etc.)

• “Waste advisors” for local authorities and SMEs: selection mechanism defined, training completed.

3.3.2 Technical Assistance to support the implementation of the waste management investment/infrastructure projects under ESC

For Activity 1: “To support the applicants in the implementation of small-scale waste management investment scheme under Phare 2003 ESC”, the results are the following:

(a) Feasibility studies revised for the selected projects (including cost benefits analysis) Supporting documents for the implementation of the selected projects prepared (technical design, tender dossiers in accordance with PRAG and FIDIC requirements,

(b) Contracts of high quality concluded with beneficiaries

(c) Guidelines for Projects Monitoring and supervision

(d) Detailed work schedules for each project selected
(f) The municipal methodology for waste management including financial and regulatory aspects.

(g) Training sessions for the public authorities for: projects preparation, the elaboration of schemes for waste fees and costs calculation, elaboration of a municipal methodology for waste management (to get the fees), elaboration of proper contracts, setting up associations of municipalities in order to run waste deposits and for establishment of the municipal services.

Assessment of the training needs, curricula and training programme will be established under a Technical Assistance provided by a PPF developed by MoWEP which will have the final results at the end of 2003.

For Activity 2: “To prepare investment/infrastructure projects for the multi-annual scheme 2004-2006 in the waste management field”, the results are the following:

(a) The technical assistance will prepare/revise feasibility studies for some selected projects in the waste sector which could be supported through the investment grant scheme(s) to be put in place in the period 2004-2006, continuing/expanding the 2003 pilot phase;

(b) The technical assistance will realise pilot studies for projects on stored waste, valorisation of waste and recycling in view of extending the scope of the grant scheme in the waste management field.

3.4 Activities

3.4.1. Twinning to support MoWEP in preparation of the multi-annual programming scheme under ESC

3.4.1.1 Guaranteed results/Expected outputs:

- A multi-annual 2004-2006 programming concept for the financing of local environmental projects through grant schemes (including definition of precise types of projects, selection criteria, rates of assistance…)

- A grant scheme at national level to provide support for projects preparation (definition of rules and procedures) prepared

- Successful implementation of the 2003 grant scheme for the local projects in waste management field, including review of evaluation reports (transparency of selection criteria, respect of eligibility criteria, compliance with state aids rules etc.)

- "Waste advisors” for local authorities and SMEs: selection mechanism defined; training completed.

3.4.1.2. Detail activity that is foreseen under the twinning

The following activities will be achieved by the common work of the Romanian and Member State’s experts:

A) The development of the multi-annual 2004-2006 programming concept for the whole environmental sector

Based on the following documents:

- the negotiation commitments;
- the implementation plans of the environmental directives;
- the environmental sectoral strategies
- the priorities under NDP

and in consultation with other stakeholders (line ministries, RDAS, REPIs, private sector, local authorities, NGOs,) the MoWEP with the twinning team will develop a multi-annual programme 2004-2006 for providing financial support to local investments in environmental field that may be co-financed under Phare ESC. Beneficiaries may be both the commercial and non commercial sectors.
The basic principle will be to provide support through grant schemes to ensure equal opportunity to access funds for all potential beneficiaries, to select the best prepared and most effective projects.

Hence, for the various sub-sectors (waste, water, air,...), will be defined for each type of beneficiaries (commercial sector or not):
- the type of projects to be financed
- eligible expenditure
- the selection criteria
- the rate of assistance, ceilings
- the rules and conditionalities for providing support

Compliance with European State Aid rules will be ensured. Complementarity with other programmes will be ensured (EU programmes: ISPA, SAPARD, SAMTID,...; other donors’ programmes: World Bank, EIB, EBRD,...; national programmes).

Considering the type of projects identified and the NDP objectives, the implementation strategy will be defined in co-ordination with all concerned stakeholders (MDP, RDAs, REPIs): number of grant schemes, implementation arrangements (regional/national),...

Based on the chosen strategy, rules and procedures for the grant scheme will be prepared. In particular, the following will be prepared in details:

- Call for proposals
- Specific guidelines for applicants according to the standard templates given in Annexes E7 and E10 of Practical Guide to Phare, Ispa and Sapard contract procedures
- Clear application form to ensure that the applicants will provide the information needed for properly assessment of their proposals (the indicators of impact and results) and for "pre-assessment" of the sustainability of the project
- A clear awareness package in order to increase the quality of the applications
- The transparency and equal opportunity of the process
- Evaluation Committee for projects selection and Steering Committee for monitoring and assessment of the projects
- The responsibilities in terms of control and audit activities and project monitoring scheme

B) The design of a grant scheme at national level to provide support for the projects preparation

In order to ensure a transparent process of identification of project proposals, to get an overview of all initiatives and to be able to select the most interesting ones, a grant scheme will be designed to finance the activities linked to project preparation (advice/studies/market studies/cost benefit analysis/pre-feasibility studies and feasibility studies)

Will be clearly defined:

- The beneficiaries
- Type eligible activities and eligible expenditures to be financed
- Eligibility criteria
- The specific selection criteria
- The rates of assistance

In order to ensure the successful implementaton of the scheme will be prepared in detail the following:

- Call for proposals
- Specific guidelines for applicants according to the standard templates given in Annexes E7 and E10 of Practical Guide to Phare, Ispa and Sapard contract procedures
- Clear application form to ensure that the applicants will provide the information needed for properly assessment of their proposals
- A clear awareness package in order to increase the quality of the applications
- The transparency and equal opportunity of the process
- Evaluation Committee for projects selection and Steering Committee for monitoring and assessment of the projects
- The responsibilities in terms of control and audit activities and project monitoring scheme

C) "Waste advisors" for local authorities and SMEs
In order to develop assistance to local authorities and SMEs to improve waste management, waste advisors will be trained to conduct pre-diagnostics and diagnostic. The twinning will define the selection mechanism and will assist the authorities in the selection process. The "trainees" (the waste advisor) will be selected on the basis of their curricula. The trainees may include staff of the EPIs, individuals, chamber of commerce's staff etc..

The objective is to develop local competencies in the waste management field and to ensure a local offer for preparing feasibility studies in the field of waste management for both local authorities and SMEs. However these selected persons will get neither accreditation nor exclusivity to perform this type of advisory services.

**D) Successful implementation of Phare 2003 grant scheme for local projects in waste management**

The twinning team will provide support to the entities responsible for the management of the Phare 2003 grant scheme to ensure full respect of rules including ensuring the transparency of the selection process, the respect of eligibility criteria and the compliance with state aids rules. To perform this task, the twinning team will have access to all necessary documentation, including evaluation reports and will attend all selection committees and preparatory meetings.

### 3.4.1.3 Activities of the PAA:

In order to implement these activities, the PAA will have to:
- Collect all available information and support documents in Member States
- Analyse and assess the existing situation in Romania and the existing documents
- Prepare an action plan for the preparation of the multi-annual 2004-2006 programme for local investment projects in the field of environmental protection
- Identify the institutions to be involved in the design process of the grant schemes
- Identify additional staff, activities and training needs
- Facilitate the co-ordination between Member State and Romanian experts and ensure the information flow between them
- Facilitate the establishment of partnership and co-operation between those in a position to provide assistance and those requesting such support

**Duration:** The Pre-Accession Adviser (PAA) shall stay in Romania for a period of 24 consecutive months. The assignment should start around May 2004 and will be based in Bucharest.

### 3.4.1.4 Profile of the PAA:

He/she should also have knowledge in management of projects in general and, if possible, have been involved in co-operation with third countries notably with candidate countries. His/ her particular skills shall also cover, in general terms, knowledge in the field of EU environmental norms and standards. Preferably the PAA will have experience in programming, design and implementation of grant schemes. A minimum 3 years involvement in the relevant sector is needed. Among above mentioned skills, priority is given to the management ones, considering his/ her capability of conducting complex activities on international and local issues, defining the roles and structures in assessing current and future co-operation linkages between different stakeholders.

The PAA should have permanent link with the backstopping institution he/she originates from and with MS bodies in his/her country dealing with the subjects to ensure the condition that the approach that is to be implemented is fitting currently with that of an EU corresponding body.

Strong communication facilities and ability to work in difficult environment is required. He/she should also have ability to manage a team of experts and to co-ordinate multipurpose activities, to assure linkage with EU institutions and sector organisations. Good working knowledge of English is required.

### 3.4.1.5 Other required inputs:

The activity of the PAA has to be assisted by short-term expert, who will provide assistance of specific issues such as:
- Analyse, assessment and programme design for local investments in the following environmental sectors: waste, water, air and IPPC, nature conservation
- Identification of the funding resources to cover identified needs
3.4.1.6 Commitments:
The Romanian partners will provide:

- All necessary and existing documentation in Romania
- Adequate human resources to prepare the twinning covenant and to implement the twinning projects together with the twinning partner
- All the facilities which are necessary for the smooth implementation of the twinning (office, computer, printer, telephone, access to Internet)
- Funds to cover any travel costs of the Romanian authorities in the context of training or seminars

3.4.2 Technical Assistance to support the implementation of the waste management investment/infrastructure projects under ESC

Activity 1: To prepare projects for the implementation of small-scale waste management investment scheme under Phare 2003 ESC (see Phare ESC Investments fiche - sub component C)

The Consultant will have the following tasks:

(a) To provide experts to participate in the appraisal and selection of projects under the small-scale waste management investment scheme, as independent evaluators with voting rights in the regional selection committee

(b) To assist the project beneficiaries in the contracting process and in elaboration the detailed work schedules

(c) To prepare the Guidelines for Projects Monitoring for the MoWEP and projects beneficiaries

(d) To support the beneficiary in the process of monitoring the projects

(e) To develop detailed work schedules for each project selected

(f) To prepare a municipal methodology for waste management including financial and regulatory aspects: schemes for waste fees and cost calculation, methods of regulations for municipal waste management etc.

(g) Training sessions for the public authorities for project preparation, municipal methodology for waste management, elaboration to contracts, setting up of associations of municipalities in order to run waste deposits and for establishing efficient municipal services

(h) To evaluate the implementation of the projects

(Activity 2: To prepare investment/infrastructure projects for the multi-annual scheme 2004-2006 in the waste management field)

(b) To revise the pre-feasibility and feasibility studies for projects in the waste sector. Before the grant scheme for project preparation is established and operational, the present TA will contribute to prepare some projects that may then apply for financing under the "waste management" grant scheme 2004-2006, continuing/expanding the 2003 pilot phase.

The activities supported by the TA (preparation/revision of feasibility studies) will be sequenced as follow:

Phase 1
The consultant will have to prepare a call for proposal including the preparation of

- The call for proposal itself
- The specific guidelines for applicants
- A clear application form
- A clear awareness package
Phase 2
RDAs will launch the call for proposals in close co-operation with REPIs.

Phase 3
The consultant will provide a first assessment of the received proposals and will rank them. The consultant will provide assistance to the selection committee.

Phase 4
After the selection process, the consultant will prepare or revise the pre-feasibility studies and feasibility studies for selected projects.

(c) Realisation of pilot studies in the field of stored waste, valorisation of waste and recycling in view of extending the scope of the grant scheme in the waste management field.

During the 2003 pilot phase, the scope of eligible projects in the waste management field is limited to specific activities (see Phare ESC Investment fiche, sub component C). By completing some pilot studies, the present TA will contribute to explore further activities in the waste management field that may eventually been financed by the 2004-2006 grant scheme(s).

Those activities are the following: processing of stored waste, valorisation of waste and recycling.

Phase 1:
The consultant will have to prepare a call for proposals including the preparation of:
- The call for proposals itself
- The specific guidelines for applicants
- A clear application form
  - A clear awareness package
  - The selection criteria

For preparing the call for proposals, the consultant will first investigate on the field existing ideas and will interview potential beneficiaries to better assess expectations and opportunities for such projects.

The selection criteria will have to be defined in consultation with 2001 Phare twinning on waste management and 2003 twinning in charge of preparing the 2004-2006 multi-annual framework.

Phase 2:
RDAs will launch the call for proposals in close co-ordination with REPIs.

Phase 3:
The consultant will provide a first assessment of received proposals and will rank them. The consultant will provide assistance to the selection committee.

Phase 4:
The consultant will realise the pilot studies.

(d)

3.5 Lessons learned
The Conclusion chapter within the Regular report on 2002 for chapter 22 stated the following:

“Romania should focus further efforts on developing implementation capacities and should ensure that laws include realistic deadlines and cost assessments, and are only proposed following sufficient consultation. At the local level, significant resources are needed to improve the status of existing staff, to recruit new inspectors, and to train them adequately. Co-ordination between ministries on environmental issues needs to be improved and Romania should integrate environment protection requirements into the definition and implementation of all other sectoral policies so as to promote sustainable development”.

From the previous technical assistance projects developed was identified the necessity to have much more training sessions and to have a sufficient number of trained staff. As well is compulsory to have a proper selection of the staff going to be trained.
E. Economic and Social Cohesion Project Preparation Facility

3.1. Background and Justification

(a) The analysis of the Phare programme level steering committee indicated that the quality of the Phare regional infrastructure project (and thus of the selection mechanism set up in 2000) had to be improved. In particular the following aspects were underlined:

- The difficulties met by the potential local beneficiaries in identifying and developing infrastructure projects that could fit into the Regional Development Plans and the National Development Plans priorities and which could demonstrate a measurable impact on the regional economic performance.
- The weaknesses of the decision-making process organised at regional level and between the regional and the national levels leading to a non-transparent process of selection.
- The difficulties met by the RDAs in assessing projects in the absence of a sound knowledge of technical and financial project appraisal and scoring techniques.
- The difficulties (technical and financial) met the potential applicants in preparing good feasibility studies, cost-benefit analysis, and environmental impact assessment.
- The weaknesses of the monitoring and the difficulties met at regional and national level to produce ex-post evaluation of the mechanism and to draw lessons from the experience.

(b) Continuing the successful experience of previous municipal investments programmes in Romania (in particular MUDP II), SAMTID program provides an important element in a transition to a more efficient organization of services providers. Based on procedures establish by TA financed from PPF Phare 2001, a small group of pilot projects are implemented under SAMTID 2002 investment pilot phase.

SAMTID current phase will aim to implement 6 to 10 projects, for which Phare ESC will provide maximum 5 Meuros each. The project preparation facility (PPF) component of Phare 2002 should assess and improve the procedures developed under PPF Phare 2001 in order to apply them to many more towns in this expansion phase, sharing with them the lessons learned. Some procedure will be adapted according to evolution in the legal and financial framework and the progress in transformation process. Lessons learned in the pilot phase will be applied in developing documents in order to allow stating of expansion phase.

For waste water treatment plants serving agglomerations of more than 10 000 inhabitants, SAMTID will, in principle, only finance secondary treatment but conditional to be upgradable to tertiary treatment in a cost effective way at a later stage. Tertiary treatment may be funded but only after a case-by-case examination taking account of specific locations or project characteristics.

Project design will have to ensure proper handling of any industrial waste (preferably to ensure that it is not dangerous before it leaves the industry) and a scheme to dispose sewage sludge, taking into account the requirements of both the landfill directive and also the sewage sludge directive.

PPF will continue to support identification and selection process and preparation for implementation, including detail design and tender documents. This includes undertaking relevant studies and activities in order to remedy the lack of capacity in local public institutions, preparing proper Technical Specifications for infrastructure projects, documents for tendering under Phare/FIDIC rules; technical documentation including detailed design and Bill of Quantities.

The costs of these activities, exceeding 5 % of the total investment costs, are beyond the capacity of the majority of the local administrations – especially in areas affected by major development problems. Phare programmes support will allow these towns to participate in infrastructure investment component.

Moreover, the lasting differences between the Romanian and EU practices and Standards in preparing the infrastructure projects (in the fields of design, studies and EIA) require further TA support for large infrastructure and SAMTID projects.

3.3. Linked Activities
3.4. Results

(a) 
- Assess the list of large infrastructure projects, and develop the eligible projects with demonstrated regional impact, to be financed under future Phare ESC investment programmes,
- Properly prepared for implementation and contracting of regional large infrastructure projects with tangible impact, including elaboration of required technical and implementation documents, detailed technical designs, tender documentation, environmental impact assessment, cost/benefit analyses;
- Improved relevance and quality of the multi-annual large infrastructure portfolio, through increased awareness of the potential local beneficiaries on the ESC infrastructure component requirements;
- Improved regional decision process for the selection of infrastructure projects;

(b) 
- Preparation for implementation and contracting of at least 12 projects, including elaboration of required technical and implementation documents, tender documentation, environmental impact assessment, ready to be implemented in the next phase of SAMTID program;
- Procedures, manuals and guidelines adapted for the expansion phase, based on lessons learning from the pilot phase implementation.
- Identification of projects, assistance for the conceptualisation of projects and execution of activities related to compliance with eligibility criteria.

3.5. Activities

E1. Preparation of large-infrastructure projects

Indicative allocation is 3.0 Meuro, Phare contribution.

Under Phare 2002, an evaluation of the regional infrastructures’ portfolio will be prepared. This evaluation will concern the quality of the selected and implemented projects as well as the performance and weaknesses of the mechanism, in order to provide practical recommendation to the MDP and the RDAs. On this basis, the technical assistance will provide support to the MDP and the RDAs in defining, regional infrastructure schemes corresponding to the Phare programming document for 2004-2006. The schemes will define among others the quantifiable objectives, the eligible beneficiaries, the types of eligible projects, the eligible activities and eligible expenditures, the rate of assistance, the co-financing requirements, the conditions for private-public partnership, the specific selection criteria. Simple, clear, efficient and transparent implementation arrangements in line with EDIS requirements will be defined including: call for proposals, specific guidelines for applicants, clear application form, clear awareness package, transparency and equal opportunities of the process, evaluation committee for projects selection and steering committee for monitoring and assessment of the projects, responsibilities in terms of control and audit activities and scheme monitoring.

On this basis Phare 2003 will finance a technical assistance in charge of the following activities:

Activity 1 - Preparation of the regional investment projects to be financed under Phare 2004-2006. The selection of these projects will be based on the pre-selection mechanism designed under Phare 2002, corresponding to the priorities adopted in 2004-2006 Phare programming document.

- Review of the projects proposed in the pipeline (pre-feasibility assessment, economic analysis and financial impact, environmental impact, risk analysis, etc.);
- Training for infrastructure projects preparation, appraisal and selection of the technical staff and of the key decision actors from national, regional and county level;

Activity 2 – Preparation and contracting of large infrastructure projects to be financed to be financed under Phare 2004-2006, including elaboration of required technical and contractual documents, as well as training to beneficiaries and implementing authorities, as follow:
- Preparations of tender documents, including detailed design, drawings and technical specifications for the large infrastructure projects included in the multi-annual ESC portfolio;
- Support for tendering the prepared large infrastructure projects. Improvement of the existing monitoring and supervision procedures for infrastructure projects and preparation of the TORs for TA project in charge with the works supervision

- Training to the beneficiaries will cover project preparation, elaboration of detailed work schedules, cost-benefit analysis, environmental impact assessment, preparation of application form, elaboration of business plans, contracting, preparation of tender documents, including detailed design, drawings and technical specification, support for tendering. etc

- Training to the managing authorities (RDAs and MDP) will cover: evaluation of applications, project selection and scoring system, elaboration of project port-folio, project monitoring, elaboration of guidelines and manuals for monitoring and projects supervision.

Training for infrastructure projects implementation and supervision procedures of the staff from the relevant institutions (including local beneficiaries PIUs), on the basis of the revised and improved guidelines and procedures;

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E2. SAMTID projects' preparation with an indicative allocation: 3.4 Meuro, Phare contribution.

1 Technical assistance under this sub-component will be provided to support further development of overall policy, institutional and regulatory framework within which SAMTID is implemented:
- Identification of projects, assistance in reviewing project concepts from groups of towns interested in participating in SAMTID. Provide an informed opinion on the rational for the grouping and whether this complies with eligibility criteria and sound business practices. Recommend steps for towns to comply with eligibility criteria and assist in the process of contracting a commercial operating company.
- Assess the pre-feasibility of the project concepts presented by groups of towns and recommend areas for improvement during the elaboration of the feasibility studies.

2 Development of project documentation:
- Development of required technical and implementation documents and tender documentation for at least 12 projects.
  Usually under Romanian rules the Final Beneficiaries and/or Local Authorities prepare or finance the preparation of feasibility studies and supporting documentation, and Tender documents, as part of their own contribution in project financing.
- Supporting tenders organization and works contracts concluding for next phase.

E3. Restructuring Municipal District Heating Systems

3.1. Background and justification:
The Strategy concerning the acceleration of the public administration reform, approved through HG no.1006/2001, has established fundamental objectives for the modernization and development of the local public services:
- Decentralization of the public services and increasing the local public responsibilities regarding the quality of the services ensured to the population.
- Promotion of the sustainable development measures.

District heating presents special challenges currently constraining urban development in Romania. According to recent Ministry of Public Administration information, 179 system are in operation in cities and towns across Romania, supplying heat for around 6.9 million inhabitants (31% of total population, or about 71% of urban population). Most of these operations make losses and burden local budgets and/or do not receive sufficient subsidies. Indicative estimates suggest that the average cost of heat production and supply is about Euro 24/Gcal. The difference between the cost and national reference price is to be met by a government subsidy, shared by the local government concerned (55%) and the state (45%), with the latter obligated to pay its part only if the former pays its part. Some local governments provide the subsidy, but most provide only a fraction.

The modernization of these heating systems will be a major undertaking. Heat losses in the systems are estimated at about 30-35%, in some cases over 50%. Some of the systems may be over-extended and
may need to be closed and replaced by individual heating systems. (Such closures have taken place in the last decade, the number of operating systems has declined by about 30%.) Some form of private participation would be desirable to attract the necessary management skills and finance. Due to weak finances, public finance (investment and subsidies) will probably be necessary for quite some time.

District heating provides another immediate challenge in Romania. As part of the reorganization of the power sector, the Government transferred several combined heat and power (CHP) plants to the cities and towns to which they supply heat. In the absence of adequate support, it is likely that most of the cities and towns will have great problems with these facilities. Commercially-oriented CHP/district heating companies would have to be developed for this transfer to be truly meaningful – but this is not going to be an easy undertaking under Romanian conditions. Some of the companies could be considered for some form of private participation to attract the necessary management skills and finance, but dependence on public finance (investment and subsidies) can not be really avoided.

During the conference from December 17-18, 2002 gathering Government and key donors representatives in Bucharest to discuss Romanian Energy and Infrastructure Strategy drafted by the World Bank was underlined that difficult issues have been raised by the externalisation of 19 combined heat and power plants, that have become the responsibility of the municipalities concerned. The World Bank intend to work with EU PHARE and EBRD to review the viability of each of this plants and to formulate appropriate investment programs to either made these plants viable or to help close them down and provide alternative means of heating for citizens. The Bank main focus would be on low income regions while, within those regions, it would seek to direct its resources to cities and towns that hold to greatest potential to growth. The World Bank will also consider providing funding in support of the required investments to deal with rehabilitation, restructuring and upgrading to the EU standards of the energy and infrastructure service.

Government Program have outlined the importance of the municipal services and underlined their place in raising the living standards.

In this respect a series of regulations were approved and have been started to be implementing, as follows:

- The Law no. 326/2001 on the Local Public Services, a framework law of the modern European conception which sets important tasks concerning the responsibilities of the Government and the structures of the central and local public administration regarding the general state policy in this field. This law has to be followed by secondary legislation, which for the first time in the post-war Romania, settle administrative, legal and technical rules for each specific local public service.

- A Governmental Decision (no.373/April 2002) regarding organisation and functioning of National Regulatory Authority for Municipal Services was issued.

- A new Governmental Ordinance (no 73/ 31 August 2002) was issued regarding the organisation and functioning of the district heating services. Through this ordinance was clarified the role of the central administration against local administration, new policy on setting and approving tariffs, delegated management, minimum level of services etc.

- Government Ordinance 5 and 6 / 2003 reviewing billing and collecting systems and promoting new social aid policies.

3.2. Linked activities
See Annex 4.1.

3.3 Results:

- Two feasibility studies developed.

- Revised district heating system on the basis of the 2002 PPF conclusions and the two feasibility studies.

3.4 Activities:

The activity of this project will consist in development of two feasibility for two different municipalities.

Feasibility studies exclude studies for rehabilitating the existing system. They will target municipality where the rehabilitation of the existing system is not financially viable and/or sustainable. Studies will target to promote (i) financially viable and sustainable, (ii) environment friendly – taking also into account greenhouse gas emissions - (eg technology based on the use of renewable energy) and (iii) job creating, alternatives.
In principle, the municipalities will be selected among those which were examined in the framework of the 2002 PPF (support to the Ministry of Public Administration for assessment and modernisation of the Combine Heat Power Plants, transferred to the local authorities). Based on the 2002 PPF results, the TA will assess the situation of those municipalities, the opportunity to develop a study for an alternative system (including conversion to alternative heating systems not based on district heat) and will rank them. On the basis of those elements, the two municipalities will be selected.

The Consultant will develop prospects for financing necessary investments and improving management including, prospects for private sector involvement. It will assess the availability of sovereign guarantee, municipal guarantee or other support and analyse of regulatory issues: allowable returns, risk of change in regulatory approach. It will assess the necessary prices increases for ensuring the financial sustainability of the system and affordability for the consumers. In this light, it will assess the necessary subsidies - and their evolution over time- and the related risks. It will provide recommendations regarding side measures that may contribute to a successful implementation.

After completing the two feasibility studies, and by using the results of the 2002 PPF, the TA will assist the Ministry of Public Administration and other concerned institutions in revising the district heating strategy.

In 2002, the Ministry of Public Administration asked for assistance through other two Project Preparation Facility:
1. Support to the Ministry of Public Administration to review the district heating strategy
   The main objectives of this assistance is to define the current state of affairs in the district heating sector, to gather information on best practices in the relevant Member States, central and eastern European countries and to provide recommendations for a revised strategy in this field.
2. Support to the Ministry of Public Administration for assessment and modernisation of the Combine Heat Power Plants transferred to local authorities.

The heating services sector will be reorganised taking into consideration the results of the two PPF projects. The implementation of the provisions of Law no.326/2001 concerning the public services and Government Ordinance No 73/2002 concerning district heating will bring in the near future some restructuring elements and actions.

The total budget of this project is 750,000 euro.

4. Institutional Framework

Ministry of Development and Prognosis, as the organization responsible for Economic and Social Cohesion, will be in charge with the overall co-ordination between governmental strategies, policies and programmes (National Development Plan) and the regional level (Regional Development Plans). It will have to ensure that the appropriate control is in place to ensure value for money in terms of large public expenditure projects.

At national level, the Phare ESC Steering Committee was established (Minister Order 191 / 11.07.2002) and is operational starting with Phare 2000 and following programmes. Its role is to ensure inter-ministerial co-ordination in the programming, implementation, monitoring and evaluation of programmes. It includes specialists from MDP, RDAs, Ministry of SMEs and Cooperation, Ministry of Education and Research, Ministry of Labour and Social Solidarity, Ministry of Public Works, Transport and Dwellings, National Administration of Roads, the Ministry of Water and Environment Protection, National Centre for Vocational and Technical Education Development, Ministry for European Integration, Ministry of Public Administration, EC Delegation; other relevant institutional stakeholders identified at the national level for each ESC component will be invited to its proceedings.

The Phare ESC Steering Committee is chaired and serviced by MDP, which will therefore undertake all the necessary administrative tasks (organizing meetings, planning agendas, general secretariat) and will produce all papers to be discussed at its meetings.

The tasks of the Phare ESC Steering Committee are defined in the Regulation of Organization and Functioning, adopted in the first meeting that took place on 12 March 2003. The Phare ESC Steering Committee puts the basis for the future Monitoring Committee under Structural Funds.
A recently adopted Government Decision (1323/20.11.2002) defines a framework for institutional and partnership structures for elaborating development plans. This establishes a consultative Inter-Institutional Committee for Elaborating the National Development Plan under the co-ordination of the MDP. At regional level a Regional Committee for the Elaboration of the Regional Development Plan is established under the coordination of the RDA. This is a consultative committee (the Regional Development Board is the decision-making authority) upon which will sit representatives of: prefectures; county boards; decentralised services of the central public institutions; research institutes and higher education institutions; and social and economic partners. It is through this structure that the project will have to work to influence regional development planning.

The Ministry of Development and Prognosis (MDP) will be the Implementing Agency for all the technical assistance provided under Institution Building component of Phare 2003. For the twinnings, CFCU will act as Implementing Agency.

Each Regional Development Agency will be the Implementing Authority of the corresponding Regional Twinning Project (A).

The Ministry of Education and Research will play the role of Implementing Authority for TVET (B1) in charge with its technical management. The MoER will supervise and co-ordinate all IB related activities through NCDVET as PIU, and liaise with the Ministry of Development and Prognosis for all aspects related to regional development –strategies and priorities.

For TVET component, the Phare ESC Steering Committee will also assure the effective correlation between IB and Investment activities. Representatives of ETF (European Training Foundation) will participate in the Committee’s sessions, when TVET is analyzed.

The TVET development in line with social and economic cohesion enhancement continues to get advise from the Regional Consortia that represent institutions at the regional level, organised under Phare 2001 TVET. The leading institutions will be represented by the Regional Development Agencies. The Regional Consortia act as consultative structure of the project for the TVET activities for both IB and Investment, and their specific tasks for IB will be:

- To advise on the priorities at the regional level as far as the economic and social development of the target areas are concerned
- To elaborate and adopt the Regional Education Action Plan that integrate the TVET provision with the regional development.

The Ministry of Labor and Social Solidarity, Directorate General for Employment, Department for Employment is the Implementing Authority for D1, through the PCU set up with staff from MoLSS and NAE.

The National Agency for Employment will also establish 8 PIUs at regional level as the bodies responsible for the implementation of the HRD component under the Investment scheme and as the leading bodies for the design of the regional action plans for employment. The PIU is composed of representatives of each County Employment Agency in the region and from the corresponding RDA, and is placed in the same location as the corresponding RDA.

PCU and PIUs will be assisted through this IB component to carry out their tasks for managing and implementing the employment scheme under the Investment component.

The PCU will carry out the following tasks, with TA support:
- preparation of the scheme (application package);
- promotion of the scheme, together with the 8 PIUs.
- contracting
- monitoring and control
- endorsement of reports and payment requests to be sent to MDP

The PIUs will carry out the following tasks, with TA support:
- organizing the call for proposals;
- promotion of the scheme;
- appraisal and selection of projects;
- overall responsibility for monitoring and implementation of the projects from the region;
- prepare the grant contracts and conclude them with the selected applicants;
- accomplish the tasks related to monitoring and evaluation and ensure the link with MoLSS and MDP;
- report to the MoLSS and MDP the stage of implementation of the programme.

The 8 PIUs will work closely with RDAs to the elaboration of the Regional Employment Action Plan to integrate the established priorities with the regional development provision.

The National Agency for Employment is the Implementing Authority for D2 component. The structure of the NAE includes 42 county and Bucharest agencies for employment and more than 250 local employment offices.

The Ministry of Waters and Environmental Protection will be the Implementing Authority for D3 components, both twinning and Technical assistance. MoWEP will closely work with the RDAs during the implementation of these projects.

The Ministry of Public Administration will be the Implementing Authority for C and E3 components.

The Regional Development Agencies (RDAs) will be Implementing Authorities for E1 and E2 components and they will work closely with the corresponding line ministries.

Apart from the above-mentioned Phare ESC Steering Committee, another Steering Committee was established for the overall coordination of SAMTID programme. This is chaired by MoPA under the leadership of a Secretary of State. Its attributions and competences are detailed in the investment project fiche.

PIUs will be set up at the premises of all the infrastructure projects beneficiaries and will be responsible for the implementation of the projects. In the case of the SAMTID programme the PIUs will be responsible for the implementation of the project, both for grant and loan management.

5. Budget

<table>
<thead>
<tr>
<th>A. Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level</th>
<th>Phare Support</th>
<th>Total Phare (I+IB)</th>
<th>National Co-financing *</th>
<th>IFI*</th>
<th>TOTAL</th>
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<td>Institutional Building</td>
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<td></td>
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<td>B. Reform of initial and continuing vocational training</td>
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<td>D. Support to Develop Administrative Capacity of Line Ministries to Prepare for Structural Funds</td>
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<td>D1. Support to MoLSS to Design and Implement Employment and Social Policy</td>
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<tr>
<td>D3.2 TA to prepare environment projects 2004-2006</td>
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<td>2.0</td>
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</table>
6. Implementation Arrangements

6.1. Implementing Agency

**PAO: Ministry of Development and Prognosis (MDP)** – for all the Technical Assistance included in this project.
Name: Leonard Cazan  
Address: 2-4 Cristian Popisteanu st., Bucharest  
Tel: + 401 312 08 09  
Fax: + 401 314 08 09

**PAO: CFCU – Ministry of Public Finance** – for all the twinning projects
Name: Jeana Buzduga  
Address: 36-38 Mendeleev street, Bucharest  
Tel: + 401 313.66.28; 313.66.30  
Fax: + 401 312.42.08; 315.35.38

<table>
<thead>
<tr>
<th>Sub-Component</th>
<th>Implementing Agency</th>
<th>Implementing Authority</th>
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<tr>
<td>A. Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level</td>
<td>CFCU</td>
<td>Regional Development Agencies</td>
</tr>
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</table>
| B. Institution Building Support for the Reform of Initial and Continuing Vocational Training  
B1. Technical Vocational Education and Training (TVET) | MDP | Ministry of Education and Research, NCDVET |
| C. Institution Building to Support the SAMTID Programme Implementation | MDP | Ministry of Public Administration |
| D. Institution Building support for line ministries to prepare for Structural Funds  
D1. Support to MoLSS for Employment policy  
D2. Support for Strengthening the Institutional Capacity of the NAE  
D3. 1 Twinning to MoWP  
D3.2. TA to MoWEP prepare environment projects for 2004-2006 | MDP  
CFCU | Ministry of Labour and Social Solidarity  
National Agency for Employment  
CFCU  
MDP | Ministry of Water and Environment Protection working closely with RDAs |
| E. Economic and Social Cohesion Project Preparation Facility  
E1. Preparation and contracting of large infrastructure projects | MDP | RDAs (they will closely work with the line ministries) |
| E2. SAMTID projects preparation | MDP | RDAs closely working with MoPA |
| E3. Restructuring Municipal District Heating Systems | MDP | Ministry of Public Administration |

**Project Steering Committee (PSC)** will be formed when the projects commences. The PSC will include representatives from the key stakeholders involved in the Project and will be chaired by the Implementing
Authority. The MDP as Implementing Agency will be a member of this committee. EC Delegation will also be invited. The PSC will provide strategic advice and guidance on the progress and achievements of the project and will approve the project’s work programme (as embodied in the Inception Report), inception and progress reports during implementation and final report, as well as any changes required during project implementation.

6.2 Twinning

Twinning covenants will be signed between Member states institutions (chief executive) and the heads of the beneficiary institutions.

<table>
<thead>
<tr>
<th>Contact person</th>
<th>Leonard Cazan</th>
<th>Address: 2-4 Ministerului st., Bucharest 1 Tel.: + 40 1 312 08 09 Fax: + 40 1 314 08 09</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gabriel FRIPTU</td>
<td>Address: 2-4 Ministerului st., Bucharest 1 Tel: + 40 1 315 88 75 Fax: + 40 1 312 41 71 E-mail: <a href="mailto:gabriel.friptu@mdp.ro">gabriel.friptu@mdp.ro</a></td>
</tr>
<tr>
<td></td>
<td>Adrian Popescu</td>
<td>Address: 2-4 Ministerului st., Bucharest 1 Tel: + 40 1 310 16 08 Fax: + 40 1 312 72 62 E-mail: <a href="mailto:popescu@mmss.ro">popescu@mmss.ro</a></td>
</tr>
<tr>
<td></td>
<td>Petru Blanariu</td>
<td>Address: 3 Sf. Dumitru st., Bucharest 1 Tel: + 40 1 310 16 08 Fax: + 40 1 312 72 62 E-mail: <a href="mailto:petru.blanariu@anofm.ro">petru.blanariu@anofm.ro</a></td>
</tr>
<tr>
<td></td>
<td>Costel HANTA</td>
<td>Address: 12 Libertatii Blvd, Sector 5, Bucharest Tel.: + 40 21 335.00.67</td>
</tr>
</tbody>
</table>

Contact details for regional twinning:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Director</th>
<th>Address</th>
<th>E-mail</th>
<th>Telephone</th>
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</thead>
<tbody>
<tr>
<td>RDA 1 North - East</td>
<td>Constantin APOSTOL</td>
<td>27 bis Alexandru cel Bun St., Piatra Neamt</td>
<td><a href="mailto:adnordest@adnordest.ro">adnordest@adnordest.ro</a></td>
<td>40 233-21.80.71 40 233-21.80.72</td>
</tr>
<tr>
<td>RDA 2 South - East</td>
<td>Luminita MIHAILOV</td>
<td>1 Piata Independentei St., fl. 5, Braia, 6100</td>
<td><a href="mailto:seagency_ro@cjbraila.ro">seagency_ro@cjbraila.ro</a></td>
<td>40 239-61.10.86 40 239-61.10.86</td>
</tr>
<tr>
<td>RDA 3 South Muntenia</td>
<td>Ion MANOLE</td>
<td>1, 1 Decembrie 1918 St., Calarasi, 8500</td>
<td><a href="mailto:atr3sud@nex.ro">atr3sud@nex.ro</a></td>
<td>40 242-33.17.69 40 242-31.31.67</td>
</tr>
<tr>
<td>RDA 4 South – West Oltenia</td>
<td>Marilena BOGHEANU</td>
<td>19 Unirii St., 1100</td>
<td><a href="mailto:adf4@rdslink.ro">adf4@rdslink.ro</a></td>
<td>40 251-41.94.96 40 251-41.94.96</td>
</tr>
<tr>
<td>RDA 5 West</td>
<td>Sorin MAXIM</td>
<td>5 Proclamatia de la Timisoara St., Timisoara, 1900</td>
<td><a href="mailto:office@adr5vest.ro">office@adr5vest.ro</a></td>
<td>40 256-19.19.23 40 256-19.19.81</td>
</tr>
<tr>
<td>RDA 6 North - West</td>
<td>Claudiu COSIER</td>
<td>2 Toplita St., Cluj Napoca, 3400</td>
<td><a href="mailto:adrv@mail.dntcj.ro">adrv@mail.dntcj.ro</a></td>
<td>40 264-43.15.50 40 264-43.92.22</td>
</tr>
</tbody>
</table>
6.3. Non-standard aspects

The ‘Practical Guide for Phare, ISPA and SAPARD’ procedures will be followed.
For twinning: the twinning manual will be followed.

6.4. Contracts

6.4.1 Twinning

Twinning type projects are envisaged for the following sub-components:

- A. “Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level” – beneficiary: RDAs. It will be one covenant for each region. A Member State country are encouraged to apply for more than one region, but providing different PAAs.

- D2. “Support for Strengthening the Institutional Capacity of the National Agency for Employment” – beneficiary NAE

- D3.1. “Twinning to support MoWEP in preparation of the multi-annual programming scheme under ESC” – beneficiary MoWEP

Twinning will not cover activities related to IT procurement, which will need a standard contract for supplies.

Should the Romanian twin institution find itself unable to select a partner from the first round of selection, the Project Fiche may be re-circulated a second time. If it still proves impossible to select a suitable partner, the Romanian institution may resort to traditional Technical Assistance.

6.4.2 Technical assistance

Technical assistance projects are envisaged for the following sub-components:

- B1. TVET – Service contract: beneficiaries are MoER and vocational schools and resource centres; a separate supply contract will be concluded for IT equipment

- C. Institution Building to Support the SAMTID Programme Pilot Phase Implementation - beneficiaries: MoPA, MDP, RDAs and municipalities’ administration; one or two service contracts will be concluded;

- D1. Support to Ministry of Labour and Social Solidarity to Design and Implement Employment and Social Policy – beneficiary MoLSS, NAE, regional PIUs; one supply contract and one or two service contracts will be concluded.

- D3.2. Technical Assistance to support the implementation of the waste management investment/infrastructure projects under ESC 2004-2006 – Beneficiary MoWEP, MDP, RDAs, REPI/LEPIs, local authorities; one service contract will be concluded.

- E. Economic and Social Cohesion Project Preparation Facility – beneficiary: MDP, MoPA, RDAs and local public administration; three or more contracts will be concluded.

It is envisaged to contract Technical Assistance projects according to Practical Guide for Phare, ISPA and SAPARD.

7. Implementation Schedule

<table>
<thead>
<tr>
<th>Sub-component</th>
<th>Start of tendering/Twinning procedure</th>
<th>Start of project implementation</th>
<th>Completion of the project</th>
</tr>
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<tbody>
<tr>
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<tr>
<td>A. Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level</td>
<td>09.2003</td>
<td>06.2004</td>
<td>11.2006</td>
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<td>D. Institution Building support for line ministries to prepare for Structural Funds</td>
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<td>07.2004</td>
<td>11.2006</td>
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<td>07.2004</td>
<td>11.2006</td>
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<td>D3.2 Support the implementation of the waste management investment/infrastructure projects under ESC</td>
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<tr>
<td>E. Economic and Social Cohesion Project Preparation Facility</td>
<td>05.2004</td>
<td>01.2005</td>
<td>11.2006</td>
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</tbody>
</table>

8. **Equal Opportunity**
   The contractors will be encouraged to make available both female and male staff as pre-accession advisers and short term experts as well as technical assistance experts.
   While designing socio-economic programmes or grant schemes, the Romanian institutions will pay particular attention in following the gender-mainstreaming concept and in ensuring a full and equal participation of women, ethnic minorities and other socially disadvantaged or excluded groups.

9. **Environment**
   Environmental aspects will be considered in a structured way with particular reference to environmental sustainability concept.
   On the institutional side, particular attention will be given to the way of assuring that the relevant environmental authorities are fully involved in the different stages of the decision making process. (Strategy-making, programming, project selection and monitoring and ex-post evaluation)

10. **Rates of return**
    Not applicable in respect of Institution Building projects.

11. **Investment criteria**
    Not applicable in respect of Institution Building projects.

12. **Conditionality and sequencing**
    The investment component "B-Activating Employment Potential of Youth and Long-term Unemployed and Developing Skills for the New Labour Market" will depend on existence of the MoLSS structures (PCU and PIUs) established at national and regional level with adequate premises, by December 2003. In
case that the structures will not be established by 3 January 2004, the investment sub component will be not be implemented and the corresponding Phare financial support re-allocated to another sub component.

For **D1 component**: ToRs for contracting TA to support MoLSS and its structures in the implementation of **investment component** and Technical specifications for equipment supply are finalized by November 2003.

For **D3 component**, the technical assistance will be contracted after the approval by Commission services of the PPF conclusions (“technical assistance to the MOWEP to prepare the implementation of the environmental component within Phare 2003 ESC“), due by November 2003.

For **E3 component**,
With regard to regional infrastructure, the technical assistance will be launched on the basis of the results of the assessment realised under Phare 2002 PPF.

With regard to district heating, the project should base its activities on the results of the two PPF projects results for improving the strategy for district heating and for assessment of the situation of the CHP plants transferred to the local authorities.

The Government remains committed to maintain the leading role of the Ministry of Public Administration in policy formation and planning and monitoring the development of municipal services. The municipal services policy will maintain a commitment to the development of private sector participation as an essential element in the provision of municipal services
## GLOSSARY OF ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>AP</td>
<td>Accession Partnership</td>
</tr>
<tr>
<td>CSF</td>
<td>Community Support Framework</td>
</tr>
<tr>
<td>CVT</td>
<td>Continuing Vocational Training</td>
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<tr>
<td>EDIS</td>
<td>Extended Decentralised Implementation System</td>
</tr>
<tr>
<td>ERDF</td>
<td>European Regional Development Fund</td>
</tr>
<tr>
<td>ESC</td>
<td>Economic and Social Cohesion</td>
</tr>
<tr>
<td>ESF</td>
<td>European Social Fund</td>
</tr>
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<td>EU</td>
<td>European Union</td>
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<td>FOPIP</td>
<td>Financial Operators Performance Improvement Programme</td>
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<td>GD</td>
<td>Government Decision</td>
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<td>HRD</td>
<td>Human Resource Development</td>
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<td>IB</td>
<td>Institution Building</td>
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<td>IT</td>
<td>Information Technology</td>
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<td>JAP</td>
<td>Joint Assessment Paper</td>
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<tr>
<td>LEPI</td>
<td>Local Environment Protection Inspectorate</td>
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<td>MDP</td>
<td>Ministry of Development and Prognosis</td>
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<tr>
<td>MEI</td>
<td>Ministry of European Integration</td>
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<tr>
<td>MER</td>
<td>Ministry of Education and Research</td>
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<td>MIS</td>
<td>Management Information System</td>
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<td>MoLSS</td>
<td>Ministry of Labour and Social Solidarity</td>
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<tr>
<td>MoPA</td>
<td>Ministry of Public Administration</td>
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<td>MoT</td>
<td>Ministry of Tourism</td>
</tr>
<tr>
<td>MoWEP</td>
<td>Ministry of Water and Environment Protection</td>
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<td>MSMEC</td>
<td>Ministry for Small and Medium Sized Enterprises and Cooperatives</td>
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<td>NAE</td>
<td>National Agency for Employment</td>
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<td>NAPE</td>
<td>National Action Plan for Employment</td>
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<td>NCDVET</td>
<td>National Centre for Development of Vocational Education and Training</td>
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<td>NDP</td>
<td>National Development Plan</td>
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<td>NPAA</td>
<td>National Programme for the Adoption of the Acquis</td>
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<td>NTB</td>
<td>National Training Board</td>
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<td>NTC</td>
<td>National Training Centre</td>
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<td>PCU</td>
<td>Programme Coordination Unit</td>
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<td>PES</td>
<td>Public Employment Service</td>
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<tr>
<td>PIU</td>
<td>Programme Implementation Units (for infrastructure projects)</td>
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<td>RDA</td>
<td>Regional Development Agency</td>
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<td>REPI</td>
<td>Regional Environment Protection Inspectorate</td>
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<td>ROP</td>
<td>Regional Operational Programme</td>
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<td>SAMTID</td>
<td>Small and Medium Towns Infrastructure Development</td>
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<td>SF</td>
<td>Structural Funds</td>
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<td>SME</td>
<td>Small and Medium Sized Enterprise</td>
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<td>SOP</td>
<td>Sectoral Operational Programme</td>
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<td>Technical Assistance</td>
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<td>Tender Dossier</td>
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<td>TORs</td>
<td>Terms of Reference</td>
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<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
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### ANNEXES

<table>
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<tr>
<td>1.1B</td>
<td>Logical framework matrix for IB ESC 2003 projects</td>
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<td>2.1B</td>
<td>Detailed implementation chart for IB ESC 2003 projects</td>
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<td>Contracting and disbursement schedule by quarter for IB ESC 2003 projects</td>
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<td>4.1</td>
<td>Linked activities</td>
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<td>4.2</td>
<td>Summary of IB projects to support administrative capacity</td>
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<td>4.4</td>
<td>SAMTID Institutional and Financial Architecture</td>
</tr>
<tr>
<td>4.5</td>
<td>SAMTID Contracts</td>
</tr>
<tr>
<td>4.6</td>
<td>Results of Phare 2003 TVET-IB component</td>
</tr>
<tr>
<td>4.7</td>
<td>Time table of activities for TVET-IB component</td>
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<td>4.8</td>
<td>Results of Phare 2003 TVET-investment component</td>
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<td>4.9</td>
<td>Time table of activities for TVET-investment component</td>
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<td>4.10</td>
<td>ToRs for PPF to design the Phare 2003 waste management scheme</td>
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<tr>
<td>5</td>
<td>List of relevant Laws and Regulations (optional)</td>
</tr>
<tr>
<td>6</td>
<td>List of regional infrastructure projects</td>
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### LOGFRAME PLANNING MATRIX FOR:

**INSTITUTION BUILDING for ECONOMIC AND SOCIAL COHESION**

**Project: A. Strengthen the Co-ordination Function for ESC Policy Design and Implementation at regional level**

<table>
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<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
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<tbody>
<tr>
<td>• To develop and implement national policies and programmes of social and economic cohesion on a multi-annual basis, in line with the provisions of the National Development Plan (NDP) and of Council Regulation 1266/99 on co-coordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation (EEC) no. 3906/89, including also provisions regarding the Extended Decentralised Implementation Systems (EDIS) in candidate countries, by strengthening the institutional capacity of central ministries, the 8 Regional Development Agencies and relevant local authorities to prepare for implementation of the investment support to be provided.</td>
<td>• MDP and key ministries involved and develop a common strategy in regional development</td>
<td>• EC regular report for Romania in the relevant sector</td>
<td>• Political and macroeconomic stability</td>
</tr>
<tr>
<td>• To build the institutional, administrative and programming and implementation structures necessary to effectively manage EU Structural Funds after accession, in order to make significant progress in the negotiations on Chapter 21 of the General Acquis communautaire “Regional Policy and the Coordination of Structural Instruments”.</td>
<td>• Better knowledge of EU requirements and EU practices in European Regional and Cohesion Policies and programmes implementation</td>
<td>• Official statistics of the National Institute of Statistics, and line ministries</td>
<td>• The European Union and the Romanian Government will continue to financially support the regional development in Romania</td>
</tr>
<tr>
<td></td>
<td>• EDIS starting to be applied for Phare ESC</td>
<td>• Stage of preparation for EDIS, EC evaluation report</td>
<td>• Favorable environment for economic and social cohesion is a main concern of Romanian Government</td>
</tr>
<tr>
<td></td>
<td>• EU Structural Fund implementation structures and procedures built</td>
<td>• EU progress reports on adoption of aquis communautaire</td>
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</tbody>
</table>
development planning and delivery process in their region, in line with the successful practices in Member States, giving particular importance to the improvement of the monitoring and implementation of priorities established in the National Development Plan 2004-2006.

- To elaborate improved regional strategies for socio-economic development for 2007-2013 as basis of the eight Regional Operational sub-programmes that will be included into the National Development Plan (2007-2013), founded up on more transparent and systematic inter-regional co-ordination as well as on partnership between the RDAs and other regional and local actors.

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Enhanced knowledge and understanding of regional development and capability in the practical application through inclusive planning and delivery approaches, firmly implanted in local authorities and RDAs.</td>
<td>1. -No. of staff in each RDA and from participating local actors acquired knowledge on EU Structural Funds, regional development planning process, project implementation, monitoring and evaluation, and are applying these skills in their daily functions; -Training modules delivered at regional level and training materials prepared.</td>
<td>• Regular project monitoring reports and training evaluations from international contractor.</td>
<td>• Regional Development Boards are supportive of using partnership structures and involving economic and social partners.</td>
</tr>
<tr>
<td>2. Effective co-ordination and information dissemination mechanisms established and operational at and between local, regional and national levels.</td>
<td>2. –Local and regional steering committees established, having working procedures and are functioning; -RDAs are leading socio-economic development process in their region -Procedures in place for communication and coordination between local, regional and national levels.</td>
<td>• Progress reports submitted by local steering committees to national and regional steering committee.</td>
<td>• Sufficient commitment to cooperative working between participating local administrations and corresponding RDAs.</td>
</tr>
<tr>
<td>3. Inclusive regional partnership structures, reflecting the key themes of regional development and the needs of the RDAs, created, functioning effectively</td>
<td>3. Number of working groups established; regularity of quorate meetings; balance in composition of working groups between elected members, officials, and relevant economic and social partners; working group awareness of regional planning needs correlated with national priorities;</td>
<td>• Working group organigrammes and regulations of functioning</td>
<td>• Socio-economic analysis carried out by RDAs with support from local/regional institutions exist.</td>
</tr>
<tr>
<td>4. Improved capacity of RDAs in promoting, monitoring and implementation of multi-annual</td>
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</table>

Implementation structures capable to manage EU Structural Funds after accession put in place

- Systems and tools for responsible institution are existing and the regional level is integrated in the national level
- Quality project applications from target local administrations for grant schemes funded by pre-accession instruments.

- Regular reports of the Regional Development Agency to the Regional Development Board.
- Regional development agency organigramme.
- EC monitoring and interim & ex-post evaluations

Development and Prognosis to improving the national development plan through reinforcing the regional dimension.

- Continued commitment on the part of Government and the Ministry of Development and Prognosis to involving economic and social partners in elaborating national and regional development plans
### Activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Undertake training needs assessment and training modules design</td>
<td>Twinning procedure for selection of Member State partners</td>
<td>• Member State partner will provide advisors with relevant qualifications and experience</td>
</tr>
<tr>
<td>2. Deliver joint-training to target groups.</td>
<td>One PAA for each region</td>
<td>• Member State partner will provide full assistance and support to RDAs and RDBs</td>
</tr>
<tr>
<td>3. Monitoring and reporting on the training activities</td>
<td>Short Term Experts</td>
<td>• Participating local</td>
</tr>
<tr>
<td>2. Establish local &amp; regional steering committees and develop attributions and working procedures</td>
<td>600,000 euro per region * 8 = 4.8 Meuro</td>
<td>Development Board meetings.</td>
</tr>
<tr>
<td>2. Develop communication and coordination</td>
<td></td>
<td>• Existing training manuals</td>
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<td></td>
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<td>• Reports to monitoring committees of Phare ESC programme (JMC, SMSC 1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Relevant documents are prepared (RDP, sub-ROPs, ex-ante evaluation, environmental impact assessment)</td>
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### Means

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<tr>
<td>3. Organize co-ordination meetings led by RDAs</td>
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<tr>
<td>3. 1. Initiate awareness at local and regional levels, on regional development, enhancing and improving the structure and activities of the working/thematic groups set up under the 2000 regional twinning.</td>
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<tr>
<td>2. Facilitate the introduction of a participatory planning approach.</td>
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<tr>
<td>4. 1. Joint work with RDAs in the formulation of a marketing strategy for regional plans and to attract foreign direct investment</td>
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<tr>
<td>2. Workshops with RDAs and other partners to understand principles of EU support for regional development and appraisal and selection of projects; procedure development</td>
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<tr>
<td>3. Develop monitoring procedures integrated with national monitoring systems, including financial monitoring and control in compliance with SF regulations, and annual reporting</td>
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<tr>
<td>4. Counselling and assisting the RDAs to meet the requirements of an EU type RDA</td>
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<tr>
<td>5. 1. Undertake ex-ante evaluation of regional plans and organize workshop to present the findings of the evaluation</td>
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<tr>
<td>2. Undertake environmental impact assessment of regional plan and organise workshop for awareness raising and to disseminate the conclusions</td>
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<tr>
<td>6. 1. Joint work and training RDAs and local authorities in the identification of local/regional infrastructure projects and project prioritisation</td>
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<tr>
<td>2. Counsel, train and work with local authorities in preparing the support documentation</td>
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<tr>
<td>7. 1. Workshops with local actors, RDBs and RDAs to understand regional development</td>
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<tr>
<td>administrations demonstrate commitment to regional development</td>
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<tr>
<td>• Appropriately motivated and qualified staff selected for training by RDAs, RDB, and local administrations.</td>
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<tr>
<td>• Necessary physical (office space, meeting rooms, etc.), financial and human resources made available by RDAs and local administrations</td>
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<tr>
<td>• Social and economic partners motivated to participate in working groups and prepared to share in meeting costs of building partnerships</td>
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</table>
requirements and define regional priorities & measures to be included in regional plans 2007-2013.
2. Elaboration of regional strategies and plans
3. Drafting regional operational sub-programmes
4. Define attributions of the RDAs as Intermediate Bodies for future Structural Funds.

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<tr>
<th>Preconditions</th>
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**Annex 1 : Logframe Matrix for project Institution Building for Economic and Social Cohesion**
<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
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</thead>
<tbody>
<tr>
<td>• To strengthen and consolidate the achievements of the reform acquired through the Phare VET RO 9405 programme for initial TVET, as well as through Phare 2002-Economic and Social Cohesion (IB for TVET) in order to further assist in the modernisation of the rationalized TVET system and to follow up on the 2002 programme; • To consolidate reviewed responsibilities, governance and accountability mechanisms in the provision of initial TVET in line with the social and economic development as stated in the National Development Plan and based on further recommendations acquired through IB activities of the 2001 and 2002 programme; • To further assist in the provision of equal chances for all young people to obtain a good professional qualification at a level equal to European standards, by providing TVET, which responds flexibly to the needs of each individual, taking into account the institutional achievements of 2001 and 2002 programme. Special attention will be given to young people in rural areas.</td>
<td>• Revised TVET structures implemented in rural areas by means of schools taking part in the networks organised under the project with adjustments required from the labour market at local, regional and national levels (based on NDP) • Enhanced institutional capacity of 100 TVET schools and 22 resource centres to respond to Human Resource Development priorities defined in Regional Development Plans drafted by RDAs • Local governance of investment in TVET (School Inspectorates, and Municipalities) advised by the regional structures in place (RDAs together with the Regional Consortia) • Target measures at national and local level to enhance vocational education and training, and occupational mobility of people with special needs</td>
<td>• Regulations and methodologies at the level of MoER, regarding the TVET rationalisation, the social partnership for TVET at national, regional and local level, and revisions of national qualifications • Instruments to assure the quality of the national TVET, including self-assessment instruments for institutions operating at regional and local level • Measures set by County School Inspectorates, Local development Committees and Regional Consortia to assure the transfer from school to work of young people with special needs • Participation of all social partners to the drafting exercise for elaborating the RDPs and thus NDP</td>
<td>• Defined role of the TVET schools in rural areas as community centres with specific roles in HRD • Decentralised school planning at the regional /area level by use of institutional Regional Consortia and Regional Action Plans • Regional policies actively implemented and regulations issued at the initiative of MDP concerning the sustainability of the regional partnership structures</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Study on the positive influence of the enhanced TVET in the selected areas and</td>
<td>• Study on the impact of TVET for social and economic cohesion in the target areas and the respective regions</td>
<td>• Adopted REAPs by the Regional Consortia, approved by RDBs and by the national structures of</td>
<td>• Investment fund allocated to TVET schools by national and local budgets</td>
</tr>
<tr>
<td>regions</td>
<td>100 TVET schools will continue revising and developing curricula as well as marketing for initial TVET at all levels, in partnership.</td>
<td>the programme (Advisory Board, Steering Committee)</td>
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<td>------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>New adjustments of the school offer for providing modern TVET adapted to emerging occupations</td>
<td>VET schools in rural neighborhood will adopt the revised curricula</td>
<td>Orders of the Minister of Education formalise latest revised versions of the curriculum documents as well as the teaching and school partnership methodologies</td>
<td></td>
</tr>
<tr>
<td>Further Implementation of quality assurance instruments</td>
<td>22 resource centers and NCDVET will assist all schools in revising curricula and teacher training methodologies, and the rural schools for all activities related to the consolidating institutional capacity to adopt changes introduced during Phare 2001 and 2002</td>
<td>Monitoring and progress reports supervised by the Steering Committee</td>
<td></td>
</tr>
<tr>
<td>Consolidating the capacity of the resource centers for the extension of the school network in rural areas</td>
<td>100 TVET and 22 resource centres adapted to the application of the new occupational learning areas and equipment, using instruments to sustain the quality of the educational process and the school network</td>
<td>Assessment of quality of the overall implementation by the PIU and TA</td>
<td></td>
</tr>
<tr>
<td>Quality assurance instruments, will be adopted by the rural VET schools with the assistance of the 22 resource centres.</td>
<td>Approx. 100 packages of learning units for the school based components of the revised curriculum drafted during Phare 2001 and 2002 activities will be revised.</td>
<td>Teacher training programmes agreed by MoER for the schools in rural areas</td>
<td></td>
</tr>
<tr>
<td>Textbooks development</td>
<td>New agreements between 100 TVET schools and the enterprises for cooperation in view of ensuring “first job facilities” according to the occupational profile and the degree of insertion in the market.</td>
<td>The school inspectorate will continue, as done during Phare 2002, to adopt annual Action Plans regarding the contribution of the TVET to the social and economic development by direct consultation with Regional Development Agencies, County Councils, County Employment Agencies and other relevant institutions, no later than November 15, each year to allow planning of the next school year.</td>
<td></td>
</tr>
<tr>
<td>Working with enterprises in partnership at the local level for adapting curriculum to the market</td>
<td>16 distance education packages developed, relevant for the qualification at regional level, to assist teachers and students to acquire key competences in the absence of direct training.</td>
<td>Enhanced annual planning of NCDVET activities in the direction of TVET school improvement</td>
<td></td>
</tr>
<tr>
<td>Extension of staff development for the 100 school network, including the rural neighbourhood schools</td>
<td>122 teachers trained in situ for IT use in all 122 schools and resource centres for adapting curricula and developing learning materials, and development of distance education models</td>
<td></td>
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</tr>
<tr>
<td>Monitoring of the implemented curricula in all 100 TVET schools and 22 resource centers.</td>
<td>100 teaching staff trained in the 100 VET schools for using courseware and distance education material</td>
<td></td>
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</tr>
<tr>
<td>Effectiveness of the school based curricula (developed during Phare 2002) examined in order to continue facilitating the provision of training in response to local and regional markets.</td>
<td>Textbooks elaborated during Phare 2002 according to the revised curriculum (except of school based component) should be fully adopted and used by 100 schools and 22 centres. Further textbooks developed and electronic versions will</td>
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<tr>
<td>The 2 resource centers assisting TVET for students with special needs will arrange periodic meetings and evaluation of good practices</td>
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</table>

Sustained decentralising policy in educational system

Inter-ministerial agreements on the integrated policies on human resources development

Priority measures for rural areas deriving from Human Resources Development strategy and Anti poverty governmental measures

MoER policy of creating groups of schools placed in vicinity, and networks of schools in rural areas

Recognition of the training programmes at the national level by General directorates of MoER and concerned universities

NCDVET continues to serve as the key governmental agency of MoER in the field of TVET
• Enhanced capacity of the TVET system to provide alternative learning through distance education programmes especially for rural areas

• Strengthening the capacity of schools in developing lifelong learning competence of students

• Access to information regarding the implementation of the project

• Strategic review of the programme and possible amendments of the new cycle 2004-2006

be provided to all TVET schools.

• Additional training of 100 teachers for various specializations, with a focus on the use of new technologies and interactive student centered teaching, with support from trainers of the resource centers, including special needs students.

• Training of principals and deputies, as well as other responsible staff such as chairs of technical units of the schools, to developing skills and attitudes for assisting their colleagues in the schools in rural areas.

• Training of 50 school managers: directors and/or deputy directors for organizational development

• Additional training of 42 inspectors, 1 per county school inspectorate, to implement the quality assurance programmes

• Training of 100 teachers (teaching various subjects, corresponding to the main 16 general training fields) to use distance education packages and advise individual use of various courseware to individual students

• Additional study visits on the policy issues regarding TVET and emerging labour market organized for additional 80 persons

• Printed material, seminars and evaluation Conference are organised to disseminate the results of the project, including SEE regional seminars

• Report on the current state of affairs as regards the response of the VET system to the intensive change exerted during the three Phare projects (2001 through 2003).

• Reports to JMC and SMSC

• Reports on national coverage of the programme events in media

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
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</thead>
<tbody>
<tr>
<td><strong>Study on the positive impact of TVET in the areas and regions</strong></td>
<td>Service contract and supply contract for procurement of equipment, will be concluded: 1 Meuro</td>
<td>Results from Phare 2001 and 2002 are adopted and proposed for generalisation in the TVET system</td>
</tr>
<tr>
<td><strong>Strategic review of the programme - Report of the outcomes of the Phare 2002 programmes and proposed corrective actions</strong></td>
<td>• TA will elaborate the report and assist the dissemination in the country • TA will elaborate the report and submit it to the</td>
<td></td>
</tr>
</tbody>
</table>
### Development and Adoption of the revised Regional Education Action Plans (REAPs) by the Regional Consortia
- Practical stages placement in the local enterprises for the integration of students with learning disabilities, to allow them to adapt the job environment to their working capacities
- Development of textbooks for defined subject areas
- Development of teaching and learning materials to facilitate individual learning as distance education model
- Establishing a training programme on organisational development
- Dissemination

### The NCDVET will assist the schools and resource centres in all issues related to the implementation of the Phare 2003 activities
- Steering Committee
  - TA and local experts to elaborate guidelines to apply relevant actions defined by the REAPs
  - TA and involved local developers to elaborate and assist implementation of the competencies and the subject themes according to the measures and priorities set by the Regional Education Action Plan.
  - TA to provide expert advice and design the networks
  - TA to elaborate and implement the networking schemes, and advice the schools for inter-assistance
  - TA to organize the related training and elaborate the teaching-learning packages
  - TA to provide expert advice, draft technical specifications, provide and check the quality of teacher training for students with disabilities
  - TA to elaborate the methodologies for relevant textbooks
  - TA to draft technical specifications, elaborate materials and provide relevant training for distance education
  - TA to prepare the training and to implement the organisational models
  - Publications, seminars and conferences for members of consultative bodies, authorities and the media, as well as through virtual communication
  - TA to draft and launch media packages, and organise media events.

### The core teams of TVET trainers already formed through previous Phare 2001 and 2002 are entitled to develop training activities for the selected schools
- The entire structure of curriculum for all TVET branches and routes are adopted in agreement with social partners
- Measures for the integration of students with special needs in education and in the workplace are taken at the levels of MoER and MoLSS
- Self-assessment adopted as a model for institutional quality assurance
- There is a stable core of media partners at national and local levels
### LOGFRAME PLANNING MATRIX FOR INSTITUTION BUILDING for ECONOMIC and SOCIAL COHESION

**Programme name and number:** RO 03

**Contracting period expires:** 30 November 2005

**Disbursement period expires:** 30 November 2006

<table>
<thead>
<tr>
<th>Total budget</th>
<th>Total budget for C</th>
<th>Total Phare budget</th>
<th>Phare budget: for C</th>
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<tbody>
<tr>
<td>IB: 19.763 Meuro</td>
<td>1.25 Meuro</td>
<td>19.5 Meuro</td>
<td>1.25 Meuro</td>
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</tbody>
</table>

#### Overall objective

Objectively verifiable indicators

Sources of verification

Assumptions

**Project Purpose**

- To support Romanian Government to develop and implement an integrated multi-annual capital investment programme in order to improve the standards of municipal water and wastewater services in small and medium towns together with improvement of operational and financial performance in this sector, in line with National Development Plan (NDP) and EU policies and practices.

- To support PCU located in the Ministry of Public Administration and PIU located at beneficiaries level in the management of the pilot phase of the SAMTID programme;

- To support final beneficiaries (groups of local authorities) in order to equip them with tools to monitor performance of their services operators, emphasising efficiency, cost control and loss reduction, thereby enhancing the capacity of the groups of towns to plan investments programmes and assume and service debts.

<table>
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<tbody>
<tr>
<td>IFI loan agreement signed; All investment funds committed; Number of commercial service providers formed grouping several municipalities. All project budgets properly spent Percentage for improvement of technical performances (percentage for reducing leakages, percentage for saving energy, percentage of increasing quality of water supplied, number of hours of delivering water, pressure); Percentage for improving financial performance (percentage of collecting revenues, percentage of reducing costs, capability of repayment of the loan)</td>
<td>Projects assessment reports Progress reports to Steering Committee Programme evaluation by the European Commission</td>
<td>Continuing commitment of national and local authorities to support Public Services Development policy Continued interest of IFIs to invest in the municipal investment programme Commitment of the beneficiaries to the project;</td>
</tr>
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</table>

#### Results

Objectively verifiable indicators

Sources of verification

Assumptions

**Improved capacity of the national coordinating body to manage the implementation of SAMTID in the expansion phase:**

- Established system of implementing SAMTID (guidelines for SAMTID)

Programme evaluation by the European Commission

Regional and local authorities support the...
• Improved overall co-ordination of the SAMTID pilot phase, by PCU;
• Better management by the Project Implementation Units at the beneficiary level in implementing their projects and monitoring the implementation at national level and regional level by MDP and RDA's;
• Shared knowledge and experience gained through the pilot & expansion phase of the program;
• Enhanced capacity of the local authorities in monitoring the technical and financial performance of their operators and setting up tariffs in order to ensure full recovery of debt service through a Guarantee Fund/Reserve Account and requirements for Maintenance Replacement and Development fund (MRD).

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<tr>
<td><strong>C1. Support national coordinating body in implementation of SAMTID expansion phase</strong></td>
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<tr>
<td>• Support to the Steering Committee;</td>
<td>• Classical technical assistance (one or two service contract) with max. value of 1.25 Meuro</td>
<td>• The Contractor will send highly qualified experts</td>
</tr>
<tr>
<td>• Support to the PCU in Ministry of Public Administration;</td>
<td>• Office space and computers available for the TA experts within the MoPA premises</td>
<td>• The MoPA will make staff available to participate in training and will place all information relating to project proposals at the disposal of the experts</td>
</tr>
<tr>
<td>• Assistance in setting up and training the PIUs at the beneficiaries level;</td>
<td>• PCU and PIUs set up</td>
<td>• Full implication of local authorities</td>
</tr>
<tr>
<td>• Support for the PCU and PIU in monitoring and controlling the projects and in reporting to different levels;</td>
<td>• Training sessions held for PIUs’ and operators’ staff</td>
<td>• The MoPA must provide available office accommodation and the minimum equipment the experts would require;</td>
</tr>
<tr>
<td>• Support to the Regional Development Agencies, MDP and Selection Committee in selection and monitoring of projects for an efficient implementation of SAMTID program.</td>
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**C2. Financial and Operational Performance Improvement Programme**
Romania needs systematic ways to transfer experience to the smaller utilities and institutionalise on a permanent basis the philosophy of FOPIP.

• Support local authorities to set up a set of implementation)
• All grants and loan contracts signed
• Progress reports to Steering Committee

 projects
Annex 1: Logframe Matrix for project Institution Building for Economic and Social Cohesion

Operational and financial performance to be monitored in relationship with their operators, in order to ensure the flow of funds for debt service paying back and MRD fund:

- Monitoring and reporting on the performance of the utilities and their compliance with conditions in their loan agreements, and recommending updating of these conditions;
- Train PIUs’ and operators’ staff in FOPIP concepts and in practical implementation of these concepts;
- Prepare and disseminate Guidelines on financial and operational performance improvement issues;
- Share knowledge and experience gained through the project among all beneficiaries.

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</tbody>
</table>
## LOGFRAME PLANNING MATRIX FOR Project:

**INSTITUTION BUILDING for ECONOMIC and SOCIAL COHESION**

### Component: D. Institution Building Support to Develop Administrative Capacity of Line Ministries to Prepare for Structural Funds

**D1. Support to Ministry of Labour and Social Solidarity to Design and Implement Employment and Social Policy**

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>See the objective of the IB (Annex 1(a))</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Project Purpose

- To support MoLSS in the implementation of the national employment policy on the basis of the priorities identified in the National Action Plan for Employment and in the Joint Assessment Paper of Labour Market Priorities and to identify efficient ways to enhance the regional responsibility and capability for policy design and implementation.
- To support MoLSS for setting up the administrative structures and for establishing the appropriate mechanisms to implement the Community Initiative EQUAL.

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Strengthening the administrative capacity of the MoLSS and of the NAE to design and implement employment policies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1. Improved capacity to manage the implementation of HRD schemes.</td>
<td>1.1. 50 persons trained on project cycle management;</td>
<td>Quarterly reports from TA teams</td>
<td>The TA partner will provide full assistance and support;</td>
</tr>
<tr>
<td>1.2. A system of net impact analysis in place.</td>
<td>1.2. 10 persons trained</td>
<td>MoLSS reports for the Steering Committee</td>
<td>TA partner will provide appropriate expertise;</td>
</tr>
<tr>
<td>1.3. Better planning and management skills of the 8 Programme Implementation Units (PIUs).</td>
<td>1.3. - 8 Regional Employment Action Plans drafted;</td>
<td>Minutes of Steering Committee and materials prepared</td>
<td>Large partnerships will sustain the process</td>
</tr>
<tr>
<td>1.4. Increased management and implementation capacity of PIUs and county and local employment</td>
<td>- 40 persons trained on project cycle management;</td>
<td>Reports on missions/events</td>
<td>MoLSS will provide and secure the necessary corresponding financing Contribution</td>
</tr>
</tbody>
</table>


| Agencies. | 1.4. 200 persons trained; | submitted for approval according to the established timetable |
| - 2.1. Improved PCU and PIUs ability to encourage and promote partnership for local employment promotion initiatives. | 2. -1 awareness raising seminar will be organized in each region, -2 workshops/region -200 persons from the MoLSS | |
| - 2.2. Strengthened responsibility and capacity of the regional and county authorities to promote local employment potential through partnership. | 2.2. No. of partnerships created; | |
| - 3. Improved information flow, between the participants to the elaboration of the Regional Employment Action Plans in the 8 regions. | 3. Information flow designed | |
| - 4. Regional and local proactive employment initiative concept integrated into national policies. | | |
| - 5. PCU and the 8 PIUs will have an adequate infrastructure for a proper implementation of the HRD schemes and the dissemination of information between the participants of the program and to the project promoters; | | |
| - 6. Action plan for administrative capacity development, in line with Regulation 1266/99 | | |

**B) “Tackling discrimination and inequalities in the labour market”**

1. Improved capacity of MoLSS and NAE to implement EQUAL programme.

2. Documentation for projects submission, assessment, selection, projects implementation, monitoring developed.

3. - Impact assessment analysis developed.

4. - Development Partnerships and capacity for implementing projects for vulnerable groups created.

5. The programme for the implementation of EQUAL, known as the “Community Initiative Programme” (CIP), supplemented by the Programme Complement elaborated;

6. The preparation of the key document by selected DPs - the “Development Partnership Agreement” (DPA).

1. Capacity of MoLSS and NAE to implement EQUAL programme exist;

2. National guidelines for promoters, application forms, evaluation criteria, selection procedures, financial and administrative rules including reporting

3. Evaluation ex-ante, evaluation strategy, key indicators, ongoing and ex-post evaluation;

4. No. of partnerships created.

5. The programme exist.

6. 1 seminar – 100 participants, 1 workshop, for each region - 30 participants and 2 information events at national level; - 2 study-tours in MSs to exchange experiences.
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A) Strengthening the administrative capacity of the MoLSS and of the NAE to design and implement employment policies</strong>&lt;br&gt;1. Assistance to the MoLSS and the NAE (through the PCU) to improve its capacity to design and implement employment policies.&lt;br&gt;2. Development of procedure for net impact analyses;&lt;br&gt;3. Assess the ongoing local employment projects.&lt;br&gt;4. Assistance to the 8 PIUs to identify employment priorities at regional level.&lt;br&gt;5. Training the PIUs in selecting, monitoring and evaluating HRD projects.&lt;br&gt;6. Identify existing local employment initiatives and partnerships and evaluate their strengths and weaknesses&lt;br&gt;7. Design recommendations for an information flow among the organizations participating in the elaboration of the REAPs&lt;br&gt;8. Assist the MLSS and the NAE to develop a system for consolidating the results of the Regional Employment Action Plans in the NAPE;&lt;br&gt;9. Assist the PIUs in monitoring the projects selected;&lt;br&gt;10. Arrange 2 study visits to EU countries and/or CEECs to share experiences and training for the PCU and PIUs project staff.&lt;br&gt;11. Capacity building action plan development&lt;br&gt;<strong>B) Tackling discrimination and inequalities in the labour market - Technical Assistance to support the Programme Coordination Unit and the Development Partnerships</strong>&lt;br&gt;1. Assist the PCU throughout all the phases of the programme development and implementation&lt;br&gt;2. Preparation of the programme for the implementation of EQUAL, CIP; supplemented by the Programme Complement;&lt;br&gt;3. Preparation and selection for Action 1:&lt;br&gt;• Introduce the Focus of EQUAL- dissemination</td>
<td>Classical technical assistance (service contract) with max. value of 1.35 Meuro&lt;br&gt;Supply contract for 150,000 euro&lt;br&gt;Partnership building at national, regional, local or other level&lt;br&gt;- PCU and PIUs are set up&lt;br&gt;- Adequate premises and facilities are provided to TA experts to carry out their work&lt;br&gt;- Training sessions held for PCU and PIUs’ staff&lt;br&gt;- Study visits</td>
<td>• The Contractor will send experts with relevant expertise&lt;br&gt;• The MoLSS and NAE involved will make staff available to participate in training and will place all information relating to project proposals at the disposal of the experts</td>
</tr>
</tbody>
</table>
& awareness;
- Providing information to potential applicants;
- Development of application forms and guidance;
- Organize call for proposals for Development Partnerships (DP);
- Selection procedures;

4. To facilitate the creation or the consolidation of durable, effective Development Partnerships (DPs); preparation of one key document by selected DPs: the “Development Partnership Agreement” (DPA).

<table>
<thead>
<tr>
<th>Pre-conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>- PCU and PIUs are established and have adequate premises, by 3 January 2004</td>
</tr>
<tr>
<td>- ToRs for TA and supply should be finalized by November 2003</td>
</tr>
</tbody>
</table>
## LOGFRAME PLANNING MATRIX FOR  
### Project: D2. Support for Strengthening the Institutional Capacity of the National Agency for Employment

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| To strengthen the institutional capacity of the National Agency for Employment (NAE) by developing a special training system for the staff involved in the implementation of active measures and employment programmes provided for in the National Action Plan for Employment, as well as in view of the future participation in implementing projects financed out of the European Social Fund | • A study worked-out on the current situation and the short and medium-term training needs for the NAE’s own staff  
• Trainers trained in the various relevant areas  
• The setting-up of a National Training Center for NAE’s own staff | • PAA and technical assistance reports  
• Monitoring reports on the project activities | • Twinning arrangements can be agreed upon  
• An appropriate building is identified and made available for setting-up the Training Center |

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Creating a sound training system for the NAE’s own staff  
Establishing a fully functional National Training Center for the NAE’s own staff | • A study worked-out for assessing the training needs  
• Trainers trained in instructing and upgrading the NAE’s staff in the area of active measures and other measures included in the NAPE  
• A fully functional National Training Center for the NAE’s own staff  
• Regular assessment of the staff and issuing recommendations on their further participation in upgrading courses  
• An increase in the number of beneficiaries of active measures, provided by NAE according to the NAPE  
• Staff trained in implementing projects financed out of Phare and the ESF | • PAA and technical assistance reports  
• Monitoring and assessment reports on the project activities  
• Monitoring by the European Commission  
• Assessment of the accomplishment of the performance indicators set in the contract concluded yearly between the MoLSS and the NAE  
• NAE’s participation in projects financed by the EU | • The training needs and facilities are identified properly, in view of the future accession to the EU  
• Availability of trainers and ensuring the fact that they will remain in the NAE’s system  
• Ensuring that staff is available at central and territorial level for implementing projects financed by the EU |
- an operational own staff assessment and further upgradation system, suitable for implementing employment programmes in accordance with the EU guidelines, managed by the NAE

- a better-trained staff within the National Agency for Employment in order to manage and operate the employment programmes included in the NAPE, as well as the projects financed out of the ESF, to be completed by June 2005;
- a better administrative capacity for implementing internationally funded projects;
- a team of trainers from national and county level, selected and trained, will be in place by November 2004.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| 1. Strengthen the NAE’s capacity to assess, train and upgrade the relevant skills of its staff both at national level and in its territorial structures, by creating a sound training system | • Twinning covenant, with a PAA and short-term experts to cover the project areas  
• Hiring auxiliary staff for the National Training Center | • The relevant staff is recruited and maintained.  
• There is an effective co-operation between the beneficiary and the twinning partner |
| 2. Establish a fully functional National Training Center for the NAE’s own staff | | |

Preconditions

- An appropriate building, identified and made available for the Training Center
<table>
<thead>
<tr>
<th>Logframe Matrix for Project</th>
<th>Contracting period expires: 30 November 2005</th>
<th>Disbursement period expires: 30 November 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>INSTITUTION BUILDING FOR ECONOMIC AND SOCIAL COHESION</td>
<td>Total budget: 3.0 MEUR</td>
<td>Phare budget: 3.0 MEUR</td>
</tr>
</tbody>
</table>

**Project: Institution Building to support the preparation and implementation of the environmental projects under ESC 2004-2006**

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Creating and promoting the framework for investment/infrastructure projects in the environmental field at local level</td>
<td>- A concrete structure for investment/infrastructure projects in the environmental field</td>
<td>- Commission regular reports</td>
</tr>
<tr>
<td>- To support the final beneficiaries in preparation and implementation of the projects in waste management field</td>
<td>- strict schemes for environmental projects implementation</td>
<td>- The Reports of the Twinning developed by the Consultants</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Creating and promoting the framework for investment/infrastructure projects in the environmental field at local level</td>
<td>- A concrete structure for investment/infrastructure projects in the environmental field</td>
<td>- Commission regular reports</td>
<td></td>
</tr>
<tr>
<td>- To support the final beneficiaries in preparation and implementation of the projects in waste management field</td>
<td>- strict schemes for environmental projects implementation</td>
<td>- The Reports of the Twinning developed by the Consultants</td>
<td></td>
</tr>
<tr>
<td>- Assumptions and risks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Continuing fulfillment of the conditions for receiving EU grant assistance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Development of national policy for economic and social cohesion according to EU's policy in this field</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Results**

<table>
<thead>
<tr>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the twinning component:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Creating and promoting the framework for investment/infrastructure projects in the environmental field at local level</td>
<td>- A multi-annual 2004-2006 programming concept for the whole environmental sector prepared</td>
<td>- A good coordination and involvement from the both parts: beneficiary and Consultants</td>
</tr>
<tr>
<td>- To support the final beneficiaries in preparation and implementation of the projects in waste management field</td>
<td>- A large scale infrastructure scheme</td>
<td>- Other priorities involved that could delay the activities foreseen</td>
</tr>
<tr>
<td>- Assumptions and risks</td>
<td></td>
<td>- County and local authorities support the projects</td>
</tr>
<tr>
<td>- Strict schemes for environmental projects implementation</td>
<td>- 2 grant schemes at national level for the local infrastructure/investment projects for non profit/private sector</td>
<td>- Maturity, quality and consistency of the project submitted.</td>
</tr>
</tbody>
</table>
elaborated

For the TA component:

For Activity 1: "To prepare projects for the implementation of small-scale waste management investment scheme under Phare 2003 ESC"

(a) Contracts of high quality concluded  
(b) Guidelines for Projects Monitoring and supervision  
(c) Detailed work schedules for each project selected  
(d) The municipal methodology for waste management in order to get the fees  
(e) The schemes for waste fees and costs calculation  
(f) Methods or regulations for municipal waste management and different methodologies for being improved  
(g) Training sessions for the public authorities  
(h) Training sessions to train the trainers.

For Activity 2: "To prepare projects for the multi-annual scheme 2004-2006 in the waste management investment/infrastructure projects under ESC"

(a) Pre-feasibility and feasibility studies revised for the waste sector under the multi-annual scheme 2004-2006  
(b) Pipelines of projects selected and prioritised  
(c) List of relevant and mature investment/infrastructure projects;  
(d) Training sessions for the private sector- projects and proper contracts preparation  
(e) Training sessions to the implementation of multi-annual programming for 2004 – 2006

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Sources of Verification</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the twinning component:</td>
<td>-No. of applications submitted</td>
<td>-Twinning covenant -Quarterly reports</td>
<td>-The identification of projects is proper</td>
</tr>
<tr>
<td>(a) The development of the multi-annual 2004-2006 programming concept for the whole environmental sector</td>
<td>-No. of high quality contracts concluded</td>
<td>- Tinning covenant</td>
<td>-Effective cooperation with other institutions</td>
</tr>
<tr>
<td>(b) The design of a large scale infrastructure scheme for environment</td>
<td>-No. of Guidelines for Projects Monitoring and supervision</td>
<td>- Relevant documents produced under twinning</td>
<td></td>
</tr>
<tr>
<td>(c) The design of a grant scheme at national level to provide support for the local infrastructure/investment projects for the non-Twinning covenant implemented with one PAA and short term advisors</td>
<td>-A municipal methodology for waste management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-No. of schemes for waste fees and costs calculation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-No. of methods or regulations for municipal waste management and different methodologies for being improved</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-No. of training sessions and no. of staff trained</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-No. of pre-feasibility and feasibility studies revised</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-No. of projects pipelines</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-1 list of mature projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- No. of training sessions and no. of staff trained</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Annex 1: Logframe Matrix for project Institution Building for Economic and Social Cohesion

<table>
<thead>
<tr>
<th>Profit Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>(d) The design of a grant scheme at national level to provide support for the local investment projects for the private sector</td>
</tr>
<tr>
<td>(e) The design of a grant scheme at national level to provide support for the projects preparation (projects under large scale and grant schemes)</td>
</tr>
<tr>
<td>(f) The identification of the training needs and the elaboration of the training programmes</td>
</tr>
</tbody>
</table>

For the TA component:

For Activity 1: “To prepare projects for the implementation of small-scale waste management investment scheme under Phare 2003 ESC”

(a) To provide experts to act as independent evaluators
(b) To assist the project beneficiaries in the contracting process and in elaboration the detailed work schedules
(c) To prepare the Guidelines for Projects Monitoring for the MoWEP and projects beneficiaries
(d) To detail the work schedule for each project selected
(e) To support the beneficiary in the process of monitoring the projects
(f) To elaborate the municipal methodology for waste management in order to get the fees
(g) To elaborate the schemes for waste fees and costs calculation
(h) To establish methods or regulations for municipal waste management and different methodologies for being improved
(i) To evaluate the implementation of the projects
(j) To advice the applicants, as well as to train them
(k) “Train the trainers” in the waste management sector

TA component:

For Activity 2: “To prepare projects for the multi-annual scheme 2004-2006 in the waste management investment/infrastructure projects under ESC”

(a) To revise the pre-feasibility and feasibility studies for the waste sector multi-annual scheme 2004-2006,
(b) To elaborate pipelines of projects selected and prioritised according to strict criteria,
(c) To support the national and regional institutions in the consultation process;
(d) To provide training sessions for the private sector in the following fields: projects and contracts preparation
(e) To deliver a training programme for MoWEP, REPi’s, and other identified regional/ local authorities dedicated to the implementation of multi-annual programme 2004 – 2006

<table>
<thead>
<tr>
<th>Pre-conditions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>-the PPF results to be endorsed, the projects should start before the operations of the grant scheme and the regional waste management plans exist and are approved before approving any project in the regions</td>
</tr>
<tr>
<td>-ToRs for TA to be finalized by November 2003</td>
</tr>
</tbody>
</table>
## LOGFRAME PLANNING MATRIX FOR INSTITUTION BUILDING for ECONOMIC and SOCIAL COHESION

**Programme name and number**

**Project Purpose**

- To support the preparation of valid, mature infrastructure projects (including detailed design and tender documents) and to create an adequate pipeline of projects with a view to financing through pre-accession assistance under Phare 2003 - 2006, national and regional budgets and other domestic and external sources of investments;
- To improve the standards of municipal services, focusing on district heating and enhance the environment by promoting compliance with EU environmental directives through direct support to Romanian local authorities to develop two feasibility studies, for restructuring the municipal district heating.

**Objectively verifiable indicators**

- Existence of a pipeline of projects to be financed by future Phare programmes, included in the Phare project fiche
- Projects assessment reports
- Final list of the infrastructure projects to be financed under Phare ESC

**Sources of verification**

- Phare budget: 7.15 Meuro
- Projects assessment reports
- Programme evaluation by the European Commission

**Assumptions**

- Maturity, quality and consistency of the project submitted.
- Creditworthiness of the Local Authorities;
- Co-financing available

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>To support the preparation of valid, mature infrastructure projects (including detailed design and tender documents) and to create an adequate pipeline of projects with a view to financing through pre-accession assistance under Phare 2003 - 2006, national and regional budgets and other domestic and external sources of investments;</td>
<td>Existence of a pipeline of projects to be financed by future Phare programmes, included in the Phare project fiche</td>
<td>Projects assessment reports</td>
<td>Maturity, quality and consistency of the project submitted.</td>
</tr>
<tr>
<td>To improve the standards of municipal services, focusing on district heating and enhance the environment by promoting compliance with EU environmental directives through direct support to Romanian local authorities to develop two feasibility studies, for restructuring the municipal district heating.</td>
<td>Projects assessment reports</td>
<td>Programme evaluation by the European Commission</td>
<td>Creditworthiness of the Local Authorities;</td>
</tr>
</tbody>
</table>

**Results**

**E1. Preparation of large infrastructure projects**

- List of min. 17 large infrastructure eligible projects, with reviewed feasibility studies
- Properly prepared for implementation and contracting of at least 15 large infrastructure projects with regional impact;
- Improved relevance and quality of the multi-annual large infrastructure portfolio;
- Improved regional decision process for the selection of infrastructure projects.

**Objectively verifiable indicators**

- Reviewing feasibility studies for at least 17 infrastructure projects
- Preparing tender documentation and contracting for at least 15 regional infrastructure projects
- Establishment of methodological guidelines for appraising, selecting and monitoring large infrastructure projects
- 6 MDP specialists, 2 from each RDA and 2 from each PIU trained in preparing and implementing infrastructure projects
- Preparing documentation for 9 to 12 projects
- the quality of services in the selected

**Sources of verification**

- Final list of the infrastructure projects to be financed under Phare ESC
- Tender Documents for each of the eligible infrastructure projects
- Monitoring and supervision procedures for infrastructure projects

**Assumptions**

- Local authorities will fully commit themselves to the projects' properly fulfilment

<table>
<thead>
<tr>
<th>E1. Preparation of large infrastructure projects</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of min. 17 large infrastructure eligible projects, with reviewed feasibility studies</td>
<td>Reviewing feasibility studies for at least 17 infrastructure projects</td>
<td>Final list of the infrastructure projects to be financed under Phare ESC</td>
<td>Local authorities will fully commit themselves to the projects' properly fulfilment</td>
</tr>
<tr>
<td>Properly prepared for implementation and contracting of at least 15 large infrastructure projects with regional impact;</td>
<td>Preparing tender documentation and contracting for at least 15 regional infrastructure projects</td>
<td>Tender Documents for each of the eligible infrastructure projects</td>
<td></td>
</tr>
<tr>
<td>Improved relevance and quality of the multi-annual large infrastructure portfolio;</td>
<td>Establishment of methodological guidelines for appraising, selecting and monitoring large infrastructure projects</td>
<td>Monitoring and supervision procedures for infrastructure projects</td>
<td></td>
</tr>
<tr>
<td>Improved regional decision process for the selection of infrastructure projects.</td>
<td>6 MDP specialists, 2 from each RDA and 2 from each PIU trained in preparing and implementing infrastructure projects</td>
<td>Programme evaluation by the European Commission</td>
<td></td>
</tr>
</tbody>
</table>

**E2. SAMTID projects preparation**

- Preparation for implementation and contracting of at least 9 projects;
- Procedures, manuals and guidelines adapted for

**Objectively verifiable indicators**

- Preparing documentation for 9 to 12 projects
- the quality of services in the selected

**Sources of verification**

- Programme evaluation by the European Commission

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**ANNEX 1 - IB**

**Project: E. Economic and Social Cohesion Project Preparation Facility**

**Contracting period expires:** 30 November 2005

**Disbursement period expires:** 30 November 2006

**Total budget:** 7.15 Meuro

**Phare budget:** 7.15 Meuro
the expansion phase, based on lessons learning from the pilot phase implementation.

- Identification of projects, assistance for the conceptualisation of projects and execution of activities related to compliance with eligibility criteria.

E3. Restructuring Municipal District Heating Systems
- Two feasibility studies developed.
- Concept paper for a financing facility for restructuring projects in district heating systems.
- 40 solid utilities created through regrouping and restructuring the old small operators (by the end of SAMTID programme);  
- Progress reports to Steering Committee, JMC, SMSC
- County and local authorities support the projects

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1. Preparation of large infrastructure projects</td>
<td>Technical assistance delivered through long and short term experts</td>
<td>The Contractor will send highly qualified experts</td>
</tr>
</tbody>
</table>
- Design of the large infrastructure projects proposed for financing under future Phare ESC programmes
- Preparation and contracting of infrastructure projects with regional impact, including elaboration of required technical and contractual documents, to be financed under Phare 2004
| - 3 classical technical assistance (service contract); Financial allocation (Meuro): - E1: 3.0 - E2: 3.4 - E3: 0.75 | The MDP and the ministries involved (MoPA) must make available office accommodation and the minimum equipment the experts would need |
| E2. SAMTID projects preparation | Office space and computers available for the TA experts within the MDP and MoPA | The MDP, RDAs, PIUs will make staff available to participate in training and will place all information relating to project proposals at the disposal of the experts |
- SAMTID projects’ identification
- SAMTID projects’ preparation and contracting
| PIUs set up | Full implication of local authorities |
| E3. Restructuring Municipal District Heating Systems | Training sessions held for RDAs and PIUs’ staff | Preconditions |
- Develop the feasibility studies
- Prepare the concept paper for restructuring, based on technical and financial assessment of the system and estimation of future demand.
| Training sessions held for PIUs’ and operators’ staff | E3 component: the project should base its activities on the results of the two PPF projects results for improving the strategy for district heating and for assessment of the situation of the CHP plants transferred to the local authorities |
## DETAILED IMPLEMENTATION CHART
### Institution Building for ESC – Phare 2003

<table>
<thead>
<tr>
<th>Activities Calendar months</th>
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D = Design; C = Tendering and Contracting; I = Implementation *(including final reports and final payments)*
# CONTRACTING AND DISBURSEMENT SCHEDULE BY QUARTER

**Institution Building for ESC – Phare 2003**

Total Phare contribution: 20 Meuro

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EU/Phare LIEN Programme
The Phare multi-country LIEN Programme is designed to support institution building and promote initiatives of non-governmental organizations in the field of social actions designed to protect the disadvantaged categories of the population (women, children, old people, roma, handicapped people, the unemployed, etc.) Projects are submitted by NGOs and are based on a co-financing principle. Romania has been an active participant in the Lien Programme since 1993.

EU/Phare Programme on Vocational Education and Training “VET” (RO 9405)
The objective of the VET programme (25 Meuro), administered by the Ministry of National Education, was to support the Romanian Government to better prepare students for work in a market economy by modernizing the curricula and the methods used in vocational schools and through adapting the system to the best European practice. More specifically, the programme assisted the reform of the VET system through policy changes and the introduction of practical measures in a nationally-spread and forward-oriented group of pilot and demonstration schools which pioneered change throughout the system. The programme resulted in 75 modern VET schools, new programmes for in-service teacher training, reformed curricula, assessment and certification methods, modern learning and teaching materials. VET partnerships developed at a local level and represented a revised VET policy for the future.

Some of the achievements of this programme are as follows:
- **curriculum development**
  Curricula were developed for vocational schools, with a broad vocational base for the first two years and a more specialised modular provision in the last year. The curricula developed for post-high schools have a two-year flexible modular structure.
- **teacher training**
  Student centred methods of teacher training were introduced and didactical material for independent learning was introduced
- **school management**
  Management training based on a democratic leadership style, focusing on a whole school approach in adopting innovation, as well as creating a sustainable learning environment
- **partnership with the community**
  Structural partnerships with various stakeholders in the community were developed, aiming at: making vocational education more relevant to its users and facilitating the entry of graduates into the labour market
- **equipment**
  Occupational learning equipment was provided to VET schools, to facilitate implementation of the newly developed curricula. It should be mentioned that some studies indicate that the equipment was not adequate enough for the specialised curriculum of the final year of the vocational schools.
- **evaluation and certification**
  A system of evaluation including the active involvement of the social partners was put in place and a certification system based on the assessment of competence through final examinations was introduced.
Phare projects related to quality assurance - TTQM Phare RO 9602-05 project
TTQM Phare RO 9602-05 project for development of education for quality with the purpose of creating curricula for compulsory and post-compulsory education; the project has been developed in co-operation with the National Agency for Science and Technology Innovation and conceived of profile of an effective consumer or producer of qualitative goods or services. The educational component consisted of specific curricula developed for several levels of education and specialised VET structures.

ETF Parallel funded project for human resource development at local and regional level
The project supported two activities in the Southeast region, one on the development of strategies for human resource development at county level and the other on the establishment of school consortia or school networks for the delivery of continuing vocational training.

Education for a Second Chance
The objective of this programme is to assist young people who abandoned compulsory education, to re-enter education and to get at the same time a pre-qualification that will help them either to find work in the local community or formally access other professional routes within VET.

Reform of Pre-university Education co-financed by the World Bank and the Romanian Government (RPE) 1995 - 2001
The WB programme Reform of Pre-university Education complemented the Phare VET RO 9405 programme through its component RPE. The component focused on activities, which are equally important for general education as well as for VET.

Community Programme Leonardo da Vinci
This Community Programme, opened up to Romania in 1997, and aims to: promote transnational co-operation and partnerships between training establishments and industry in the field of vocational training; improve employability of workers, especially of those disadvantaged the labour market, through vocational training, career counseling and lifelong learning; promote language skills, dissemination of information, open and distance learning; ease these transition of young people to working life, etc. Romania participated successfully in the last three calls for proposal organized within the framework of the Leonardo Programme.

EU/Phare Energy Programme (RO 9504 and RO 0108.04)
The programme, managed by the Ministry of Industry and Trade, has financed a project of active response measures (850 KEuro) to cope with the distress caused by the restructuring of coal mining industry and massive redundancies in Gorj county and Jiu Valley. Following competitive procedure, around 20 grants (20.000-80.000 Euro) were provided to local entreprises for job creating projects in the two regions. It is estimated that 800 new jobs will be created. The implementation will last one year and finish by December 1999. The Energy programme has also financed regional development studies for both areas mentioned above, and may inspire the overall trend of the future development of the regions as well as government and other donors’ support. The finance component of RICOP may usefully use the model of implementation arrangements of the Energy programme.

Catch-up Mining Fund Programme (MARR)
Given the size of the problem and the high absorption capacity of funds in the Energy Programme (detailed above) the Commission has approved in the 1998 a further allocation of 10 Meuro from the ‘Catch-up Facility’ for the establishment of a Fund designed to further alleviate the social costs of coal mining restructuring in Gorj
county and Jiu Valley. 6 Meuro of the total allocation will finance local partnership projects for active employment measures, small infrastructure, environment protection, social investment, welfare services, vocational education and training, community projects, public work, etc. The remainder of 4 Meuro will be used for the provision of credits to local SMEs. Implementation will last until December 2001.

EU/Phare SMEs Support (1992, 1994, 1997 Phare allocations)
The first phase of Phare support to the SME sector in Romania commenced in 1993 with an allocation of 10 Meuro. It consisted of four main inter-related components:

1. Support to the establishment of the SME agency (CRIMM) and five locally-based SME development centers. Technical assistance and seed finance has been provided to the centres, established as locally-based foundations, with members ranging from the local administration to chambers of commerce and private entrepreneurs. Each center provides basic advice and information to entrepreneurs and acts as a focal point for SME development in the area. The centres are self-sustainable. All five centres commenced operation in April 1994.

2. Development of a favorable atmosphere for SMEs. There has been a programme of support to SME associations in developing their structures. This programme has moved relatively slowly due to the fragmentary nature of the associations and the need to clarify which bodies were truly representative and had identified projects for support. Reform of the education system is also important, a project has been supported to introduce entrepreneurship into the way in which subjects are taught in secondary schools. Support for policy making has taken the form of support for the establishment of an Office of Advocacy which produced a White Paper, in July 1995, outlining the main obstacles existing at the different levels, to the development of the SMEs sector in Romania. Support to international business relations development has been provided through a special grant scheme developed in order to allow all business advisory centers to become promoters of local economic development initiatives.

3. Setting up of pilot Business Innovation Centers (BICs). The basic objective of this project was to stimulate entrepreneurship and encourage the introduction of innovative processes into existing SMEs with growth potential and which can directly contribute to economic development and job creation. Four Business Innovation Centres (BICs), using EU models, have been established since September 1995. Phare provided technical assistance for the setting up of the centres, accommodation and capital for incubated companies, and seed money for the start-up and supply of the equipment. Funding was digressive, BICs were able to be self sustainable in the third year of operation.

4. Setting up of a 3,4 Meuro grants scheme for SMEs. A conditional micro-grant scheme for assisting SMEs to purchase equipment and other assets directly related to their activity has been operational since December 1993. The maximum individual grant which could be given to an enterprise was 50,000 Euro. Beneficiaries were registered private enterprises with up to 50 employees maximum capital of 0,5 Meuro and turnover of 1 Meuro. Applications for obtaining a conditional grant, supported by adequate documentation proving the reliability of the applicant company, were submitted to one of the Business Advisory Centres, which assisted the company in developing a business plan. After appraisal of the projects, the grant decision was taken by a Steering Committee, composed of members of financial institutions and the CRIMM Foundation. The recipient SME contributed at least 50% of the total cost of the machinery procured. Around 240 enterprises have received financial assistance since early 1996 and around 2400 new jobs have been created.
The second phase supported SMEs and regional development in an integrated manner, given that experience in both EU and CEECs shows the strong interdependence between the two sectors. The programme had different components, support for regional policy analysis and development of SMEs policy; information, training, and support to advisory centres activities, to raise awareness and skills of SME and local development initiatives; allocation of resources for the establishment of a **Local Development Initiatives Fund (FIDEL)** and SME financial pilot schemes.

At the **local level**, the objective was to provide financial services to the business community, advisory centres and local development actors. A Resource Centre to support local development and SMEs was established in order to improve circulation and exchange of experience. More than 40 training courses were delivered to the main target groups covering issues related to local/regional development and project management, followed by courses in consultancy skills for the 84 SME development centres and business incubators set up by various donors in Romania. In addition, 6 Meuro was earmarked for a pilot credit scheme to improve SMEs access to commercial finance and encourage banks to provide loans to SMEs.

The **FIDEL project** provided small grants to support local development initiatives in particular to strengthen basic and promising structures (existing and new support institutions, start-up of production oriented services) of the emerging SME sector. The programme was based on the concept of local partnership. Applicants were local consortia comprising typically, local authorities, prefecture, SME associations, Chamber of Commerce, trade unions, universities, etc. The three calls for proposal resulted in the submission of about 450 project proposal and the selection of 64 projects for financing. The contracts were signed in December 1997 the implementation completed in December 1998. Typical projects included: support for SMEs expansion; setting-up of new support service centres for SMEs; development of services in the field of agriculture, agro-industry, quality control, technological transfer and export promotion activities. The finance component of RICOP will benefit from the experience of FIDEL.

At the **national level**, the programme provided training and technical assistance to the National Agency for Privatization. The aim was to assist the Romanian authorities to create an enabling environment (fiscal incentives, financial instruments, etc) for the development of the SMEs sector. A separate objective aimed at enhancing the dialogue and the debate between the Government and the private sector on how to promote SMEs development.

The third phase of the Phare support (5,75 Meuro) for SMEs commenced in 1997. It will provide investment credits to enterprises through commercial banks, which in turn will strengthen banking services for SMEs. Banks were selected and the implementation of the programme is expected to start soon.


Technical assistance within the first Phare support programme has been provided to establish CRIMM Foundation and five locally based SME development centres, for the setting up of business innovation centres. The support for policy making capacity has taken the form of support for the establishment of an Office of Advocacy which produced a White Paper in July 1995.
The component ‘Support for regional policy analysis and development and SME policy support to the national Agency for Privatisation’ of the Phare Programme RO 9408 provided training and technical assistance to help the Romanian authorities to develop more appropriate policies for the SME sector. The focus of the activities undertaken was on measures to improve the fiscal, legislative and regulatory frameworks (the “enterprise environment”).

The Phare Programme ‘Enabling Environment for Enterprises and Investment’ RO 9706 was intended to develop the ability of the National Agency for Small and Medium Enterprises (NASME) to contribute to building an enabling environment for enterprise and investment, with a specific focus on the main obstacles presently faced by SMEs. Technical assistance was offered to enhance the capacity of the NASME in four main areas:

- Formulating SME support programmes in line with EU good practice and relevant EC policy guidelines;
- Designing and implementing systems for monitoring the impact of SME support programmes and measures;
- Collecting, updating and disseminating relevant knowledge on the business environment of the SME sector in Romania;
- Monitoring and assessing emerging legislation with an impact on enterprise and investment.

The Technical Assistance for Small SME Credit Scheme RO 9711.02 was intended to contribute to effective management of the SME credit scheme launched in 1997 by Phare in order to improve access by micro, small and medium enterprises (SMEs) to loan financing. The project is intended to provide all implementing parties with technical assistance for effective implementation according to Phare guidelines, and with clear sustainability perspectives.

The Technical Assistance component of the MARR Fund – SME Credits RO 9809.02.02 provides assistance to design the scheme, select the implementing banks, negotiate the funding agreement with the selected financial institution(s), finalise the operations manual, train a number of credit officers, monitor progress with the scheme, establish evaluation procedures, elaborate statistics, assess the scheme’s overall results and impact.

The project Technical Assistance for the preparation of the SMEs Credit Line under Phare 2000 - RO9807.01.02.12 has as main objective to prepare the detailed design of the SME credit line, to select the Romanian bank(s) which will implement the Credit Lines in the four target regions and to make the whole system functional, so that the objectives of the SME Credit Line, which will be financed under Phare 2000, can be fully and timely achieved.

Project RO 0108.01 - Technical Assistance for the Small and Medium Sized Enterprises Sector having as main activities:

1. Develop methodology and train on the job MSMEC staff adequately in order to establish a comprehensive statistical database on SMEs, to monitor the health and evaluate the needs of the SME sector. Create flexible mechanisms for adapting policies and programmes to the changing requirements of the SME sector.
2. Develop mechanisms, methodology and train MSMEC staff adequately to assess the development in the SME sector and to design, monitor and measure implementation of SME development policies and programmes/projects, against established targets.
3. Establishing close communication between MSMEC and small and medium-sized businesses in order to ensure that SMEs provide their practical input on policies and programmes and defining consultation mechanisms with national and regional public and private stakeholders of SME sector.

4. To assure that SMEs are well informed and equipped to meet norms and standards resulting from the adoption of the EU *acquis*.

5. Improvement of quality and affordability of business information services for SMEs. Dissemination of relevant information for the SME sector in printed form, through the network of Euro Info Centres, on Internet and all other existing or new created channels (reports, studies, practical guides for SMEs, other relevant information for SMEs. Improvement of the level of knowledge of entrepreneurs on business-related matters.

**Twinning Project No. RO / 2001 / IB-SPP 01 Improving the institutional framework and the organisation of SMEs and Co-operative Policy** - between MSMEC and the administrative authority of the Federal Republic of Germany, represented by the Federal German Ministry of Economy and Technology which entrusts the implementation of its part to the Ministry of Economic Affairs Baden-Württemberg, having as main activities:

2. Strengthening the organisational structure and improvement of the external relation of the MSMEC with the involved stakeholders.
3. Support in the field of export promotion.
4. Enhance the capacity of MSMEC to develop and implement measures for improving SMEs access to finance.

**EU/Phare Human Resources Development Programme (RO 9701.01)**
The objective of this programme, supervised by the Development for European Integration and steered by an interministerial Task Force, is twofold: to support Romanian enterprises in upgrading the managerial and technical skills of their stuff, thus strengthening their competitiveness in the market; and to improve the enterprise training industry in Romania. The programme also aims to develop recommendations for policy makers in stimulating enterprises to invest in the development of their human resources. The successful applicants will receive grants on a co-financing basis. The implementation of the programme, with a budget of 3 Meuro, will last until end 2000.

**EU/Phare Regional Policy and Cohesion Programme (RO 9807.01)**
The objective of the programme is to support the establishment of a comprehensive framework for regional development, incorporating policy, and legislation instruments, together with the administrative capacity to manage ISPA, SAPARD and Phare in an Objective 1 context. The programme has a budget of 33 Meuro to support actions related to industrial restructuring of areas blighted by the decline of traditional industries, including: human resource development to support integrated development of designated regions, project preparation for ISPA, environment and transport infrastructure, rural development, technical assistance, etc. The main supervisory role of programme implementation belongs to the National Agency for Regional Development. To co-ordinate and consider issues related to actions falling under all components of the programme, a Monitoring Committee composed of relevant Romanian authorities and Commission’s services was established. The programme implementation will last until December 2001.
Under Phare RO98.07.01 - ISPA Preparation Facilities assistance provided for physical infrastructure is for the following components:
- Environmental measures enabling Romania to comply with the requirements of Community environmental law with the objectives of the Accession Partnership;
- Transport infrastructure measures which promote sustainable mobility and in particular those that constitute projects of common interest based on the criteria of Council Decision 1692/1996 and those that enable the beneficiary countries to comply with the objectives of the Accession Partnerships; this includes interconnection and inter-operability of national networks as well as with the Trans-European networks together with access to such networks.

For the above-mentioned measures, through Phare 1998 are going to be implemented the following technical assistance projects:
- TA to the ISPA co-ordination unit within the Ministry of Transport;
- TA for Ministry of Transport for ISPA-Roads Projects - Motorway By-Passes Feasibility Study and Design;
- TA for Ministry of Transport for ISPA - Roads Projects - Review of Feasibility Study and Preparation of Detailed Design for the project "Bucharest-Giurgiu Expressway";
- TA for Ministry of Transport for ISPA - Railway Projects, Preparation of detailed for the project "Rehabilitation of the Railway line Bucharest, section Baneasa-Fundulea";
- TA for the ISPA co-ordination unit within the Ministry of Environment;
- Rehabilitation and Modernization of the Water Supply and Sewerage Systems for Area of Cluj;
- Upgrading the Water and wastewater System in Iasi in order to comply with International Standards for Water Quality and Environmental Protection;
- Rehabilitation of Wastewater Treatment Technology Drinking Water Supply and Sewerage Improvement for the population of Timisoara City;
- TA for the National Co-ordination of ISPA projects;

For business infrastructure under Regional Policy and Cohesion Programme - Industrial Restructuring and Human Resources Component was identified and in course of assessment a number of projects, in each of 4 target regions, aimed on services related to business and networks of specific information and communication issues.

The projects under Development of Regional and Local infrastructure must be connected with the projects under the other two components of Regional Development programme Phare 2000, Regional SMEs Development Support and Twinning on regional planning and programme development. This approach can permit a better concentration of funds on the projects with great potential of development and great estimated regional impact avoiding the spreading of funds on too particularly needs. This approach must be a priority in the identification of the regional development projects being a very good exercise preparing the RDAs for the management of the European Regional Development Fund.

**EU/Phare Enterprise Restructuring and Employment Conversion Programme (RICOP) – RO9904** - starting with 2000 has the overall objective to assist the Government in moving towards fulfilling EU membership criteria in the area of economic policy.

The immediate objectives are:
- To assist the government to implement policies and actions to restructure, privatise or close loss making enterprises;
• To alleviate the consequence of enterprise closure through a strengthened social safety net and through the promotion of employment initiatives;
• To encourage economic activity leading to sustainable employment creation through assistance to Small and Medium Enterprises and micro businesses.

RICOP has five main components to the programme:
• Redundancy intervention;
• Public works;
• Employment promotion initiatives;
• Small business finance, and
• Social response measures
Taken together they represent an integrated approach to enterprise restructuring and employment conversion.

Phare project RO9908

Elaboration of the Yearly Training Programme by the National Agency for Employment, approved by the Ministry of Labour and Social Solidarity.

Phare Economic and Social Cohesion Programmes 2000, 2001 and 2002
The Phare Program RO 0007.02. “Regional development – investments in the priorities of the National Development Plan” - implementation starts in 2002;

The Phare Program 2002/000-586.05.02 “Investments in Economic and Social Cohesion” – sub-component B – Human Resource Development.

A Twinning Project, “Support for National Development Plan Implementation” (RO-0007.01.01) was launched in November 2001 with a view to assisting the preparation of the institutional framework for strengthening of the administrative capacity for implementing the structural instruments. Extending over 18 months, the project includes a pre-accession advisor at national level and pre-accession advisors in each of the 8 NUTS II regions. The project focuses a part of its activities on establishing partnerships at national level and between the national and regional level, aiming to produce, through the joint efforts of the involved ministries and the EU experts, a Regional Policy Roadmap to EU Accession. PAAs in each region are assisting RDAs in developing effective partnership structures that include economic and social partners, as well as representatives of local administration (generally at county level).

Phare 2002 is funding support for decentralisation and development of the Romanian local public administration. The project will support the development of policies in the area of the decentralisation of certain functions and responsibilities from the central public administration to the local public authorities. In addition, it will support improvements in the capacity of the local public administration to manage local budgetary resources. The project will include the provision of training for local public authorities on modern, transparent and participatory methods for preparing local budgets.

With Phare 2001 funding, a project to develop the National Institute of Administration into an operational organisation capable of training competent civil servants will commence in 2003. The project will strengthen the functional abilities of the National Institute of Administration as an institution devoted to the training and professional
development of managers, professional civil servants and elected officials at central and local government levels and connect it to a national network of public administration training centres and international networks of civil service training institutions in Europe.

Activities linked to investments to municipal infrastructure (SAMTID)

The SAMTID Programme is based on the experience and results achieved during implementation of the following programmes:
- MUDP 1, MUDP 2 and Jiu Valley - financed by EU, Romanian Government and EBRD;
- The Project titled “Assessment of Environment Projects” financed under Phare Programme;
- The Project titled “Strengthening the Capacity of Local Authorities to Develop Environmental Infrastructure Projects” financed by DFID.

Since August 2001, with the support of Regional Infrastructure Program (RIP) financed by USAID within the framework of the South East Europe Stability Pact, the local authorities are supported to identify and prepare their priority projects in the field of rehabilitation of water supply systems, which will be submitted for financing within the SAMTID Programme. The SAPARD and RDP programmes, focused on rural area, can be linked to this project, by creating the possibility of using the water savings resulting from the rehabilitation in the small and medium towns. Moreover, the County Level Organisations can provide certain services, especially in terms of water quality monitoring, for the systems in the rural area.

Other programmes in the field of Employment
- Elaboration of the Joint Assessment Paper adopted by the Romanian Government and signed at Bucharest on 28th October 2002 by the Minister of Labor and Social Solidarity, Mr. Marian Sarbu, and European Commissioner for Employment and Social Affairs, Mrs. Anna Diamantopoulou;
- Implementation of the National Action Plan for Employment (elaborated under twinning Phare project RO9908) approved by G.D. no.759/2002;
- “NAPE implementation and monitoring” TA project, under Romanian-German bilateral agreement (MoLSS from Romania and Federal Ministry for Economic Cooperation and Development from F.R. of Germany);
- “Valea Jiului” Program;
- “70” Program for the 70 localities with the highest unemployment rate;
- The Phare Program RO 02/IB/SPP/02 – “Support for MoLSS to strengthen the administration capacity for implementation European Social Fund - type activities”;

Other Donors’ Support:

World Bank Redeployment Programme – 1997-1999
The programme, launched in 1997, is managed by the National Agency for employment and Training and is co-financed by the World Bank with a loan of 10 million USD. It is specially targeted to regions where massive redundancies take place. The programme supports pre and post lay-offs measures, for instance: outplacement services, business incubators, public works, vocational training,
information and mediation activities, etc. The programme design has been built on the successful experience of the EU/Phare PAEM programme and will last until the end of 1999.

**World Bank Labour Redeployment Programme –2001-2006**

The programme, launched in 2001, is managed by the Ministry of Labour and Social solidarity togheter with National Agency for Employment and is co-financed by the World Bank with a loan of 20 million USD. It is specially targeted to workers displaced from enterprises meeting eligibility criteria specified in Ordinance 9/1997. The programme supports pre and post lay-offs measures, for instance: rapid response and planning services, job counselling and job search and placement, business incubators, community services, vocational training, small business consulting, local economic promotion and studies, etc.

**Social Development Fund**

The project aims to contribute to poverty alleviation and to community-driven development through:

- improving the livelihood of project beneficiaries in poor rural communities and disadvantaged groups; and
- increasing the local level organizational and self-help capacity.

It will support small scale local infrastructure, community-based social services, income generating activities and development of employment opportunities. It is estimated that 1,200 local projects, developed in partnership and co-financed by local contributions, will be supported and around 600,000 persons will benefit. The Social Development Fund is co-financed by the World Bank with a loan of 20 million USD, with matching Romanian Government funds totaling 5 million USD. The project is under preparatory phase.

The **World Bank Programme** - "Employment and Social Protection Project" (Total budget 95.2 M$) aimed at reforming the social insurance and assistance system so as to target assistance to the most vulnerable to poverty.

Employment and Social Protection Project (World Bank loan 3849RO, 1996 – 2003) – components “National Training Board” and “Regional Vocational Training Centres”;

**Micro credit schemes financed by the World Bank, USAID, Soros Foundation, Swiss Cooperation**

**SME Credit Schemes financed by bilateral and multilateral institutions**

The [DFID funded Local and Regional Partnership Development (LRPD) Project](#) is complementing the activities of the PAAs in two NUTS II regions (North-East and South Muntania) by further detailing and making operational the partnership structures whilst also deepening their inclusiveness by making the links with municipalities, towns and communes.

The lack of consultation and inclusion in the development planning process and a truly regional focus and prioritisation based on need has been recognised as an issue at all levels of public administration within the Republic of Romania. It has also been highlighted as an issue within the feedback received from DG Enlargement on the current National Plan¹. The LRPD Project will seek to assist in linking needs to priority actions at all levels of administration.

It is the focus of this project to create better planning of local and regional development and better management of services provided by local authorities.

¹ DG Enlargement I&C Unit December 2001
Through partnership working and improvements to local government the most disadvantaged groups and areas can have their needs both identified and addressed within the activities of development and service provision.

The purpose of the LRPD Project is defined as:
To demonstrate how public bodies and other actors in the poorer communities of the North-east region of Romania can effectively work together to stimulate economic and social development, reduce poverty and social exclusion through an inclusive regional development process [to be verified by and increase in participation in the planning process at local, county and regional level].

One of the intended project results of direct relevance to the Project is:
Regional planning processes that reflect region-wide economic and social interests [to be verified by future regional, judet and municipal/commune plans being constructed through partnership and consensus; plans including locally agreed priority actions]
And a key project activity for the achievement of this result will be:
6. Support the county and local authorities to effectively engage with the NUTS II level planning process [to be verified by documented participation of authorities in planning process; and a future RDP that is an inclusive document].

The technical assistance insured by the Austrian-Romanian Co-operation Programme “Institutional Strengthening of the MSMEC”7691-00/99 is concentrating mainly on training and coaching activities based primarily on Austrian good practice experience, elaboration of the SMEs Report for 2001 and promotion materials such as the Young Entrepreneurs Guide.

Environmental (waste management) infrastructure

On its way to accession, Romania is undertaken the necessary measures in order to ensure the observation of the political and economic criteria, and to assume its capacity of membership, especially in ensuring the full transposition and implementation of the acquis.

In order to fulfil the obligations arising from the acquis, over the past years the MoWEP received Phare assistance.

Since 1991, the European Union and other donors have assisted and supported in the development of the environmental sector in Romania.

Phare
Under Phare 1998 Programme “Strengthening the Institutional and Administrative Capacity to Manage Environmental Policy in Romania in conformity with the Acquis Communautaire” was developed a twinning in the waste sector which foreseen: transposition of the Acquis into Romanian law (Directives 75/442/EEC amended by 96/350/EC, 75/439/EEC, 91/689/EEC, 91/157/EEC, Regulation 259/93, 94/67/EC, 96/59/EC, 99/31/EC), approaches on waste policy, waste management strategy and action programme, Romanian data base on waste, economic and financial aspects and training sessions.

Under Phare 2000 Programme “Implementation of the Environmental Acquis”, a twinning component is unfolding, which foresees to develop an environmental strategy with particular reference to financial mechanism. This project has, as objectives, the transposition and implementation programme for the 9 selected heavy directives, cost
assessment for the 9 implementation programmes, developing of economic instruments. The Directives in the field of waste which the twinning refers at, are: 75/442 – waste framework and 94/62 – packaging waste.

Under the same Programme, is ongoing the project “Technical Assistance for strengthening the local Environmental Protection Inspectorates (LEPIs) and developing Regional Environmental Protection Inspectorates (REPIs)” which has the following objectives: strengthen the institutional capacity of the LEPIs, establishing REPIs, ensure better communication and co-operation between LEPIs, the newly created REPIs and their target groups and non-target groups for the implementation of the local and regional environmental plans.

Under Phare 2001 Programme “Assistance for the implementation of environmental policies in Romania” is under development the project “Twinning to further assist Romania in the transposition and implementation of legislation on Waste Management” which constitutes a follow up of the activities developed under the Phare 1998 twinning on “waste management”. The guaranteed results of this twinning are:
- elaboration of one regional waste management plan;
- assistance in the elaboration of the other 7 regional waste management plans;
- updating the National Waste Management Plan and the Waste Chapter of the National Environmental Action Plan;
- transposition of the Internal Transport requirements of the Waste Shipment Regulation and approved Governmental Decision;
- elaboration of documentation, assistance and training for the implementation of the Landfill and Incineration Directives.

As well, under the same Programme is foreseen to be developed a separate sub-project for the implementation of the whole programme which has as objectives: to improve the institutional capacity of the MoWEP to manage the environmental projects in accordance with the EU requirements and to enhance the staff capabilities of the MoWEP regarding Project Cycle Management, Procurement procedures, Contract management, Contract supervision, Bankable projects preparation, through training sessions.

As well, related to the activities of other donors, in cooperation with Japan International Cooperation Agency (JICA), was elaborated “The study on Master Plan for Hazardous Waste Management in Romania” starting in February 2002.

ISPA
At the moment, two ISPA projects are ongoing - in Piatra Neamt and Ramnicu Valcea towns, respectively “Piatra Neamt Waste Management programme in Romania” and “Integrated municipal waste management system in Ramnicu Valcea”.

The main objective of these projects is to ensure compliance with EU regulations and standards regarding the collection, sorting, transport, treatment, disposal and storage of waste. As well, it is foreseen to reduce the amount of waste through recycling and composting and to reduce waste related health problems for sanitation workers as well as the general population.

Energy sector Programmes

Thermal Energy Conservation Program (TECP) is under implementation in five cities from Romania (Ploiesti, Oltenita, Buzau, Pascani and Fagaras). EBRD is
financing technical assistance in other five Romanian cities to assess the opportunity for PPP arrangements.

Programme RO0108.04 (approved by the Phare Management Committee in September 2001) funding of 5 M EUR is provided for energy efficiency improvements in district heated housing. The project funding is split 4.6 M EUR for investment and 0.4 M EUR for TA related to detailed design, assistance in contracting and implementation, engineering supervision of the installation and commissioning, and monitoring of the results of the project.

A study was undertaken under funding from the Phare 2000 Project Preparation Facility in order to assist the Ministry of Industry and Resources. The purpose of this study was (when the TOR were originally drafted) to assist in preparing the Project Fiche, but due to delays in the contracting of the PPF, the Project Fiche was finalised before the output of the study was delivered. The study started in late April 2001 and was undertaken by Cowi Consult. It examined the legal and the technical background to the proposed project, including clarification of questions relating to ownership of district heating pipes, and other installations; the contractual relationships between the heating companies, and the billing procedures to be adopted where heat is billed on the basis of measured, as opposed to calculated consumption. The study also proposed in broad outline the technical measures which should be installed. This study was expanded and confirmed by the output of technical assistance under Phare project RO0005.01-05-01 in which a short term expert studied the measures to be installed and prepared an outline of the technical specifications (contents). The consultants should use this output as the starting point for the preparation of the technical specifications.

The Ministry of Public Administration ask for assistance through two Project Preparation Facility:
1. Support to the Ministry of Public Administration to review the district heating strategy
   The main objectives of this assistance is to define the current state of affairs in the district heating sector, to gather information on best practices in the relevant Member States, central and eastern European countries and to provide recommendations for a revised strategy in this field.
2. Support to the Ministry of Public Administration for assessment and modernisation of the Combine Heat Power Plants transferred to local authorities.
Annex 4.2
Summary of IB projects 2000-2003 to support
Administrative capacity for Phare ESC and future Structural Funds programmes implementation

For the *acquis* chapters, the roadmap for Romania provide benchmarks against which progress can be monitored. These cover both alignment of legislation and development of administrative capacity. Short and medium term issues are identified in the roadmap and will be further developed in the revised Accession Partnership.

The institution building provided to support creation and development of administrative capacity for implementing the *acquis* and effectively managing the EU funds are presented in Table 1. These projects will focus, from now on, to fulfil short and medium term priorities identified in the roadmap for Romania, as regarding the chapters of the *Acquis* that are relevant for economic and social cohesion.

**Chapter 13: Social Policy and Employment**

Further work is also needed with regard to inter-institutional co-operation, decentralising social responsibilities to the local level, budgetary organisation, ensuring adequate staff numbers, and effective training of personnel. Negotiations on this chapter have been provisionally closed. Attention needs to be given to ensuring commitments made in that process are respected. Key steps include:

**Short Term**
- Clarify the distribution of responsibilities at local level and between local and national levels with regard to the implementation of legislation relating to social assistance and social protection.
- Implement the priorities and commitments contained in the Joint Assessment on Employment Policy Priorities (JAP).

**Medium Term**
- Regarding equal treatment for women and men, align legislation with the *acquis* regarding burden of proof, protection of the rights of pregnant women and free access to night work.
- Complete transposition of anti-discrimination *acquis*, in particular with regard to indirect discrimination and the burden of proof.
- Strengthen the administrative capacity of the social partners with particular regard to new policy areas including employment and social inclusion.
- Promote autonomous social dialogue, especially at the sectoral level and in small and medium sized enterprises, in order to improve its coverage.
- Ensure appropriate capacity for management of European Social Fund type projects in preparation for Structural Funds.
- Develop a common national approach to social inclusion, in line with EU guidelines. A particular priority should be given to developing social statistics on poverty and social exclusion.

**Chapter 16: Small and Medium Sized Enterprises**

- Romania should focus future efforts on fully implementing the Action Plan for Removing Barriers to SMEs, and on addressing improvements required in the legal
and administrative environment. The European Charter for Small Enterprises should be implemented. Measures should also be taken to ensure that there is effective co-ordination between the many different agencies involved in the sector.

- Negotiations on this chapter have been provisionally closed. Attention needs to be given to ensuring that commitments made in that process are respected.

Chapter 17: Science and Research

- Romania should focus further efforts on reinforcing research-related administrative capacity and infrastructure, in order to increase the benefits from association with the relevant Community Framework Programmes including the 6th Framework Programme (2002-2006), for which it has already signed the association agreement.

- Negotiations on this chapter are provisionally closed. Attention needs to be given to ensuring commitments made in that process are respected.

Chapter 18: Education and training

Romania should focus future efforts on completing alignment with the acquis and ensuring that reform initiatives are supported by adequate levels of funding. Negotiations on this chapter are provisionally closed. Attention needs to be given to ensuring commitments made in that process are respected. Key steps include:

Short term
- Clarify some aspects of the secondary legislation approved in October 2001 to ensure full alignment with the Directive on education of children of migrant workers (definition of beneficiaries, free teaching of Romanian).

Medium term
- Extend compulsory school education from 8 to 9 years.
- Develop an overall plan to reform the education system.
- Develop a structured vocational training system, in particular for continuing training.

Chapter 21: Regional Policy and Co-ordination of Structural Instruments

Romania should focus further efforts on designing the management and implementation system for the Structural Funds. Particular attention should be given to clarifying the role of the regional levels and strengthening inter-ministerial co-operation and partnership. Systems and procedures for effective monitoring, financial management and control should be established. Administrative capacity needs to be significantly improved with regard to programming, including identification and preparation of projects.

Negotiations on this chapter continue. Key benchmarks will include:

Medium Term
- Continue efforts to establish a clear and consolidated cohesion policy.
- With regard to programming, develop the capacity to select, discuss and clarify development priorities at both national and regional levels.
- Improve co-ordination and co-operation between ministries, as well as between relevant agencies and social and economic partners.
- The National Development Plan should be further co-ordinated with the national budgetary and policy-making processes, including multi-annual programming and budgeting.
- Address both legislative and administrative aspects relating to EC requirements on financial management and control (control and audit functions, mobilisation and circulation of financial flows, national co-financing).
- Intensify efforts to meet Structural Funds requirements for monitoring and evaluation.
- Improve project preparation.

**Chapter 22: Environment**

Romania should focus further efforts on developing implementation capacities and should ensure that laws include realistic deadlines and cost assessments, and are only proposed following sufficient consultation. At the local level, significant resources are needed to improve the status of existing staff, to recruit new inspectors, and to train them adequately. Co-ordination between ministries on environmental issues needs to be improved and Romania should integrate environment protection requirements into the definition and implementation of all other sectoral policies so as to promote sustainable development. Negotiations on this chapter continue. Key benchmarks will include:

**Short Term**
- Complete an overall assessment of the situation in the environment sector in order to identify gaps to be filled.
- Develop implementation plans together with financing strategies, to outline the steps needed to ensure full implementation in the medium and longer term. These plans should take into account available resources and institutional strengthening, and further elaborate mechanisms to monitor effective implementation.
- Improve administrative capacity to implement the *acquis*, through reinforcement of staffing both in the Ministry and in other relevant bodies, including at local and regional levels.
- Improve the manner in which legislation is prepared by allowing for full consultation with stakeholders (including other Ministries, economic operators and NGOs), and giving full consideration to the implementation requirements, including a thorough assessment of the implementation costs.
- Adopt secondary legislation on environmental impact assessment and access to information.
- Reinforce structures and mechanisms to ensure integration of environmental protection requirements into the definition and implementation of all other sectoral policies so as to promote sustainable development.

**Medium term**
- Continue with the complete transposition of legislation in all remaining areas.
- Ensure progress with the implementation of the transposed *acquis*, including through securing the necessary financial resources.
- Enhance the administrative structures necessary for full implementation of the *acquis*, following commitments made during the negotiations.
### Table 1

**Economic and Social Cohesion**

**Institution Building Projects Phare Programming Year (budget: meuro)**

<table>
<thead>
<tr>
<th>Beneficiary Institutions</th>
<th>Phare role</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2000</strong></td>
<td><strong>2001</strong></td>
</tr>
</tbody>
</table>

### I. Assistance to institutions designated for managing Structural Funds (GD 1555/2002)

| Ministry of Development and Prognosis (MDP) | - Responsible for preparing the National Development Plan  
- Managing Authority for Regional Operational Programme (ROP)  
- Coordinating body for Cohesion Fund |
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Regional Development Agencies (RDAs)</td>
<td>- Implementing Authorities for sub-ROPs</td>
</tr>
<tr>
<td><strong>National Twinning</strong></td>
<td>1.0</td>
</tr>
<tr>
<td>NDP Implementation: Coordination, partnership, programming, monitoring, training capacity</td>
<td>Build SF-compatible instruments and capacities: Legal and institutional framework, training and procedures for SF, preparation of NDP, ROP</td>
</tr>
<tr>
<td><strong>Training and Technical assistance for strengthening the administrative capacity to manage the EU structural type assistance</strong></td>
<td>0.2</td>
</tr>
<tr>
<td>Socio-ec. Analysis for NDP, database, planning</td>
<td>Management training, training capacity development, support MDR, RDAs for programming and contracting 2003, 2004</td>
</tr>
<tr>
<td><strong>Regional Twinning</strong></td>
<td>6.0</td>
</tr>
<tr>
<td>NDP implementation: Partnership, programming, financial &amp; technical management, monitoring, training capacity</td>
<td></td>
</tr>
<tr>
<td><strong>Strengthening local and regional capacity for implementing sustainable development</strong></td>
<td>0.7</td>
</tr>
<tr>
<td>Local authorities support for infrastructure projects: monitoring procedure, training</td>
<td></td>
</tr>
</tbody>
</table>

| Ministry of Labour and Social Solidarity (MoLSS) | - Managing Authority for Sectoral Operational Programme (SOP) on social policy and employment  
- Implementing Authority for SOP on social policy and employment |
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<tr>
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</thead>
<tbody>
<tr>
<td>National Agency for Employment (NAE)</td>
<td>- Implementing Authority for SOP on social policy and employment</td>
</tr>
<tr>
<td><strong>Strengthen the administration capacity for implementation European Social Fund - type</strong></td>
<td>1.2</td>
</tr>
<tr>
<td>Twinning: to develop institutional capacity to prepare for ESF projects</td>
<td>Support to PCU &amp; PIUs for management &amp; implementation of HRD</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic and Social Cohesion</td>
<td>Phare Programming Year (budget: meuro)</td>
</tr>
<tr>
<td>----------------------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td>Institution Building Projects</td>
<td>2000</td>
</tr>
</tbody>
</table>
| activities | | | | | management & implementation projects, and establishment of DP for EQUAL (TA)  
| Continuing Vocational Training (CVT) - twinning | | 1.350 | Policy design, legislation, networks  
| | | 0.8 | Set up NTC and training of trainers at national and regional level  
| Ministry of Education and Research (MER) | | | | MoLSS, NAE | Implemennting Authority  
| National Centre for Programmes Management | | | | | - Managing Authority for SOP on research, technological development and innovation  
| | | | | - Implementing Authority for SOP on research, technological development and innovation  
| Support to MER to prepare SOP for innovation and technological development for 2007-2013 | | | | MER research | Implemennting Authority  
| II. Assistance to line ministries involved in ESC | | | | | |
| Technical Vocational Education and Training (TVET) | 0.740 | PPF: 111 technical specs for works, 4 contracting (incl.TD) & TD for IT for 122 schools, ToRs supervision | 4.5 | Study on VET system, partnership dvlvp., REAPs, training | 3.0 | Continuation of 2001 | 1.0 | Continuation of 2002 with special focus on rural areas | MER - TVET | Implemennting Authority  
| Support to PCU and PIU in implementation of SAMTID and Financial and operational performance improvement programme (FOPIP) | | | | | 1.250 | Support for PCU, PIU, FOPIP for implementing and monitoring the programme | 1.250 | Continuation of 2002 | MoPA, MDP, Local authorities | MoPA Implemennting Authority  
| Institution Building supporting the SMEs sector-technical assistance | | | | | | | | | MSMEC | Implemennting Authority  
| Twinning for Ministry of SMEs and Co-operatives | | | | | | | | | MSMEC | Implemennting Authority  
<p>| Institution Building supporting the | | | | | | | | | MoT | Impleme |</p>
<table>
<thead>
<tr>
<th>Economic and Social Cohesion Initiatives Building Projects</th>
<th>Phare Programming Year (budget: meuro)</th>
<th>Beneficiary Institutions</th>
<th>Phare role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism sector</td>
<td>2000: Policy making, legislation, quality std.; 2001: Design economic policies, studies</td>
<td>MDP (Prognosis Department)</td>
<td>Implementing Authority</td>
</tr>
<tr>
<td>IB for economic policy and forecast</td>
<td>2002: 0.8; 2003: 3.0 Design the multi-annual framework for environment projects; preparation of future projects 2004-2006</td>
<td>MoWEP</td>
<td>Implementing Authority</td>
</tr>
<tr>
<td>IV. Project Preparation Facility (PPF)</td>
<td>4.42: Preparation of large scale infrastructure projects to be financed under future programmes; 3.5: Revision of 17 infrastructure projects and preparation of 15 large infrastructure projects and contracting</td>
<td>MDP, Local authorities</td>
<td>Implementing Authority</td>
</tr>
<tr>
<td>Operational support for establishing proper implementation procedures for business infrastructure projects</td>
<td>0.195: Training and legislation for industrial parks, monitoring &amp; evaluation procedure</td>
<td>MDP, Local authorities</td>
<td>Implementing Authority</td>
</tr>
<tr>
<td>TA for the preparation of the infrastructure projects financed under SAMTID scheme</td>
<td>0.189: Design SAMTID scheme: institutional &amp; financial architecture, selection criteria, guidelines for applicants, manual</td>
<td>MoPA, MDP, Local authorities</td>
<td>MDP Implementing Agency</td>
</tr>
<tr>
<td>Identification and preparation of ESC investment schemes</td>
<td>1.0: Designing investment schemes</td>
<td>MDP</td>
<td>Implementing Agency</td>
</tr>
<tr>
<td>Preparation of a scheme for restructuring municipal district heating system</td>
<td>0.75: 2 feasibility studies and concept paper for financing facility for restructuring projects</td>
<td>MoPA, Local authorities</td>
<td>MoPA Implementing Authority</td>
</tr>
</tbody>
</table>

Institutions designated to have a role in coordination of Structural Instruments in the Government Decision 1555/2002:
Ministry of European Integration – Managing Authority for Community Support Framework
Ministry of Development and Prognosis - Responsible for preparing the National Development Plan
- Managing Authority for Regional Operational Programme (ROP)
- Coordinating body for Cohesion Fund
Regional Development Agencies - Implementing Authorities for sub-ROPs
Ministry of Labour and Social Solidarity - Managing Authority for Sectoral Operational Programme (SOP) on social policy and employment
National Agency for Employment - Implementing Authority for SOP on social policy and employment
Ministry of Education and Research - Managing Authority for SOP on research, technological development and innovation
National Centre for Programmes Management - Implementing Authority for SOP on research, technological development and innovation
National Payments Agency (Ministry of Public Finances) - Paying Agency for Structural Funds and Cohesion Fund

The Managing Authority for SOP on agriculture, rural development and fisheries and the Implementing Agencies for Cohesion Fund benefit from technical assistance not included in ESC.

There have not yet been assigned managing authorities for Community Initiatives (INTERREG, URBAN, EQUAL and LEADER).
## GLOSSARY OF ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AP</td>
<td>Accession Partnership</td>
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<tr>
<td>CSF</td>
<td>Community Support Framework</td>
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<tr>
<td>CVT</td>
<td>Continuing Vocational Training</td>
</tr>
<tr>
<td>DP</td>
<td>Development Partnership</td>
</tr>
<tr>
<td>EDIS</td>
<td>Extended Decentralised Implementation System</td>
</tr>
<tr>
<td>ERDF</td>
<td>European Regional Development Fund</td>
</tr>
<tr>
<td>ESC</td>
<td>Economic and Social Cohesion</td>
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<tr>
<td>ESF</td>
<td>European Social Fund</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FOPIP</td>
<td>Financial Operators Performance Improvement Programme</td>
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<tr>
<td>GD</td>
<td>Government Decision</td>
</tr>
<tr>
<td>HRD</td>
<td>Human Resource Development</td>
</tr>
<tr>
<td>IB</td>
<td>Institution Building</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>JAP</td>
<td>Joint Assessment Paper</td>
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<tr>
<td>MDP</td>
<td>Ministry of Development and Prognosis</td>
</tr>
<tr>
<td>MEI</td>
<td>Ministry of European Integration</td>
</tr>
<tr>
<td>MER</td>
<td>Ministry of Education and Research</td>
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<tr>
<td>MIS</td>
<td>Management Information System</td>
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<tr>
<td>MoLSS</td>
<td>Ministry of Labour and Social Solidarity</td>
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<tr>
<td>MoPA</td>
<td>Ministry of Public Administration</td>
</tr>
<tr>
<td>MoT</td>
<td>Ministry of Tourism</td>
</tr>
<tr>
<td>MSMEC</td>
<td>Ministry for Small and Medium Sized Enterprises and Cooperatives</td>
</tr>
<tr>
<td>NAE</td>
<td>National Agency for Employment</td>
</tr>
<tr>
<td>NAPE</td>
<td>National Action Plan for Employment</td>
</tr>
<tr>
<td>NCDVET</td>
<td>National Centre for Development of Vocational Education and Training</td>
</tr>
<tr>
<td>NDP</td>
<td>National development Plan</td>
</tr>
<tr>
<td>NPAA</td>
<td>National Programme for the Adoption of the Acquis</td>
</tr>
<tr>
<td>NTB</td>
<td>National Training Board</td>
</tr>
<tr>
<td>NTC</td>
<td>National Training Centre</td>
</tr>
<tr>
<td>PCU</td>
<td>Programme Coordination Unit</td>
</tr>
<tr>
<td>PES</td>
<td>Public Employment Service</td>
</tr>
<tr>
<td>PIU</td>
<td>Programme Implementation Units (for infrastructure projects)</td>
</tr>
<tr>
<td>RDA</td>
<td>Regional Development Agency</td>
</tr>
<tr>
<td>ROP</td>
<td>Regional Operational Programme</td>
</tr>
<tr>
<td>SAMTID</td>
<td>Small and Medium Towns Infrastructure Development</td>
</tr>
<tr>
<td>SF</td>
<td>Structural Funds</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium Sized Enterprise</td>
</tr>
<tr>
<td>SOP</td>
<td>Sectoral Operational Programme</td>
</tr>
<tr>
<td>TA</td>
<td>Technical Assistance</td>
</tr>
<tr>
<td>TD</td>
<td>Tender Dossier</td>
</tr>
<tr>
<td>TORs</td>
<td>Terms of Reference</td>
</tr>
<tr>
<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
</tr>
<tr>
<td>Overall results</td>
<td>Results that continue from 2001 and 2002 for 100 schools and 22 resource centres</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Evaluation of the contribution of TVET to economic and social cohesion in the 11 target areas and concerned regions</td>
<td>Study on the social and economic impact of TVET in the selected areas and regions</td>
</tr>
<tr>
<td>Vocational schools providing modern TVET and adapted to emerging occupations</td>
<td>Revision of curricula according to new qualifications at the national and regional level, based on new REAPs</td>
</tr>
<tr>
<td>Description</td>
<td></td>
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</tr>
<tr>
<td>Regular reporting on indicators of quality in 100 schools and 22 resource centers</td>
<td>Assistance for implementing quality assurance instruments</td>
</tr>
<tr>
<td>Learning for employment reinforced for the total number of schools and resource centres</td>
<td>The 100 schools networks have formed active partnerships for curriculum development, use of equipment, management and planning, and vocational guidance.</td>
</tr>
<tr>
<td>“First job” facilities according to the occupational profile and the degree of insertion in the market.</td>
<td>100 cooperation packages of the “first job” facilities according to the occupational profile and the degree of insertion in the market. The beneficiaries represent graduates of the school unit of the 100 units previously developed through Phare 2002</td>
</tr>
<tr>
<td>Review of the Regional Education Action Plans</td>
<td>Review of the Regional Education Action Plans - Regional Education Action Plans adapted to the specific 11 areas economic and social restructuring measures – annually revised and adopted in the 7 regions of the project</td>
</tr>
<tr>
<td>Extension of staff development for the 100 schools and 22 resource centres</td>
<td>Additional training of 42 inspectors to implement quality assurance instruments</td>
</tr>
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<tr>
<td>Assuring correlation between curricula and REAPs</td>
<td>All revised curricula for 100 schools and 22 resource centres are in place, adapted to the use of the new occupational learning equipment, responding to the new requirements of the Regional Action Plans (REAPs)</td>
</tr>
<tr>
<td>Student centred education reinforced by means of open distance learning</td>
<td>16 distance education packages</td>
</tr>
<tr>
<td>Adapted-learning modules for students with special needs established</td>
<td>All 100 VET schools and 22 resource centres have implemented the training modules adapted to the needs of young people with physical, social or mental disabilities in view of their integration into normal settings. (adopted during Phare 2002)</td>
</tr>
<tr>
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</tr>
<tr>
<td>Adapted schemes for school to work transition (lifelong learning schemes)</td>
<td>Use of IT in all 122 schools and resource centres equipped during Phare 2002 and Phare 2002 for adapting curricula and developing learning materials, also for the development of distance education models</td>
</tr>
<tr>
<td>Revision and further development of textbooks</td>
<td>Textbooks elaborated for main subject areas in 2002 according to the revised curriculum (except of school based curriculum component) adopted by 100 schools and 22 centres</td>
</tr>
<tr>
<td>The institutional capacity of the NCDVET to support modern TVET centres and schools strengthened</td>
<td>NCDVET responds to new functions and roles in sustaining the innovation in the TVET system</td>
</tr>
<tr>
<td>22 resource centres will assist the schools in rural areas for all activities related to the consolidating institutional capacity to adopt curricular auxiliaries</td>
<td></td>
</tr>
<tr>
<td>All 22 resource centres previously acting during Phare 2001 and Phare 2002 will be prepared to serve as local know-how centres of the MoER, under the assistance of NCDVET, for all issues regarding national</td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>Details</td>
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<td>------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>The institutional capacity of the Regional Consortia to support modern TVET centres and schools strengthened</td>
<td>Approx. 210 members of all 7 Regional Consortia to be trained as far as their institutional role for HRD in the region is concerned</td>
</tr>
<tr>
<td>Additional study visits on the policy issues regarding TVET and emerging labour market</td>
<td>Additional 50 persons from the Regional Consortia to be sent in study visits (other persons than previously sent during 2001 and 2002)</td>
</tr>
<tr>
<td>Dissemination of results</td>
<td>30 experts and regional coordinators of NCDVET and MoER to disseminate and exchange on the TVET issues in EU and future member states</td>
</tr>
<tr>
<td>Dissemination of results</td>
<td>2 regional seminars inviting TVET representatives from Central Europe, Southern Europe and Western Balkans, with ETF assistance-</td>
</tr>
<tr>
<td></td>
<td>7 regional packages of documentation (information about the consolidation of the 2001 and 2002 results and the new activities of 2003) for media and</td>
</tr>
<tr>
<td></td>
<td>Regional dissemination to assist cross regional projects, by means of resource centres</td>
</tr>
</tbody>
</table>
other stakeholders prepared and revised monthly or in connection to specific events of the programmes.
Annex 5. List of relevant Laws and Regulations

Regional Development

1. Law No.151/1998 on Regional Development in Romania
5. Government Decision No. 404/2001 for designating the members of the Government representatives in the National Board for Regional Development
6. Government Decision No. 544/1999 approving the Regulation for organisation and operation of the National Board for Regional Development
7. Government Decision No. 399/2001 concerning industrial restructuring areas with economic growth potential to which Phare 2001 funds – from Social and Economic Cohesion component – and the Romanian co-financing from the State Budget, will be focused
9. Law No.143/1999 on State Aids, promulgated by Decree No. 272/1999
12. Law No.213/1998 concerning public propriety and its legal status
13. The Government Decision no.1011/1999 for approval of the Memorandum of Understanding between Government of Romania and European Commission. Consequently, a National Fund was established, as a distinct body within Ministry of Finance , empowered to manage and to channel the E.C. funds in pre-accession period.
14. The Government Ordinance no 63/1999 regulates the financial management of the Phare funds as well as co-financing funds related to it.
15. The Ordinance no. 118/1999 on public procurement and the Ordinance no.119/1999 on internal control and audit, adopted in August 1999 by the Romanian Government
16. Government Decision No. 16/2001 concerning the organisation and functioning of the Ministry of Development and Prognosis, modified and completed by
18. Government Decision No. 404/2001 for designating the members of the Government representatives in the National Board for Regional Development
19. GD 1323/20.11.2002 for elaboration of NDP in partnership
20. GD 1555/18.12.2002 for designation of institutions and organisation responsible with coordination, implementation and management of EU financial assistance through structural instruments
21. The Ordinance no.27/30.01.2003 for modification and completion of low 151 regarding regional development in Romania
In January 2001, the newly created Ministry of Development and Prognosis, through the General Directorate for Regional Development, has taken over, entirely, the responsibilities of the former NARD.

Relevant Legislation in the field of Technical and Vocational Education and Training

- **MONEO no. 4938/05.11.1998**, regarding the approval of measures for implementing the VET reform curriculum for vocational school and post-high school (Phare VET RO 9405) in the school year 1998/1999.
- **GO no.855/26.11.1998**, regarding the establishment of the National Center for Development of Vocational and Technical Education
- **MONEO no.3230/10.02.1999**, regarding the adoption of the Methodology for generalizing the Reform of the Technical and Vocational Education in the school year 1999/2000
- **Law no.132/20.07.1999**, regarding the organization and functioning of the National Council of the Continuing Training of Adults
- **MONEO no. 4058/07.07.1999**, regarding the antreprenorial education in preuniversity education in
- **MONEO no.4931/19.11.1999**, regarding the curriculum for the facultative subject matters for the continuation of studies from vocational schools to high schools
- **MONEO no. 4932/19.11.1999**, regarding the functioning of the National Council for Approval of Textbooks
- **MONEO no.4986/30.11.1999**, regarding the establishment of the National Distance and Open Education Centre
- **MONEO no. 5021/06.12.1999**, regarding the initial and continuing training of teachers within the pre-university education system
- **MONEO no. 5021/06.12.1999**, regarding the link between the educational system and the economic environment
- **MONEO no. 5145/28.12.1999**, regarding the decentralization of the preuniversity education and the institutional autonomy of the school inspectorates, schools, and high schools
- **MONEO no. 5157/29.12.1999**, and **MMPS no.74/07.01.2000** regarding the approval of the certification system and of the methodologies for organising the final exams in vocational schools
- **MOERO no.3007/03.01.2000**, regarding the financing of VET at the request of the economic agents and other institutions
- **MOERO no. 3058/17.01.2000**, regarding the organization of the post-high schools in public and private institutions
- **MOERO no. 3062/18.01.2000**, regarding the programmes for adult education through schools, high-schools and Teachers' Houses
- **MOERO no.3064/18.01.2000**, regarding the vocational guidance and counseling within the educational system
- **MOERO no. 3750/08.05.2000**, regarding the preparation of extending the compulsory schooling to 9 years
- **MOERO no.4093/04.07.2000**, regarding the Reglementation of admission in vocational and apprenticeship schools for the school year 2000-2001
• MOERO no. 4277/09.08.2000, regarding the vocational training through apprenticeship schools
• MOERO no.4312/16.08.2000, regarding the education for quality in the pre-university system of education in Romania
• MOERO 4375/26.08.2000, regarding the amplification of the programme “COMPUTERS IN SCHOOLS AND HIGH-SCHOOLS”
• MOERO 4447/05.09.2000, regarding the institutional autonomy of the pre-university school units
• MOERO no.4604/21.09.2000, regarding the school year structure 2001-2002
• MOERO no. 4923, 4922, 4920, 4924, 4981/2000, regarding the approval of the school curricula
• MOERO 5363/15.12.2000, regarding the approval of the subjects within the curricular area of Technologies and of the Methodology for registration of students for different specializations in grade XI and grade XII
• MOERO 3592/03.04.2001, regarding the practical training required for Technical High Schools

GO = Government Ordinance
MONEO = Ministry of National Education Order
MOERO= Ministry of Education and Research Order

Other lows and regulations in the field of labour market and human resources development

2. Decision of the Government no.288/1991 regarding the training and retraining of the unemployed
3. Emergency Ordinance of the Government no.35/1997 concerning certain measures meant to stimulate natural and legal persons to hire graduates of educational units, approved by the Law no.162/1997; Decision of the Government no.456/1997 approving the Norms for implementation of the provisions of the Emergency Ordinance no.35/1997;
4. Law no.145/1998 on the establishment, organisation and functioning of the National Agency for Employment and Vocational Training; Decision of the Government no.4/1999 approving the Statute of the National Agency for Employment and Vocational Training;
5. Emergency Ordinance no.98/1999 on the social protection of the persons whose individual labour contracts are to be terminated as a consequence of collective dissmisals, amended and completed by the Emergency Ordinance no.185/1999.
7. Norms no. 435/1995 regarding organisation, progress and graduation of the qualification/re-qualification, specialization courses and other forms for unemployed vocational training.
9. Government Decision no.4/2001 concerning the organization and operation of the Ministry of Labour and Social Solidarity (MoLSS);
11. Government Decision no.1318/2001 provides that the National Agency for Employment will have the role of implementing and payment authority for the programmes to be financed from the European Social Fund;
12. Government Ordinance No 129/2000 - concerning adults vocational training system, contains regulations regarding quality promotion in the domain of adults vocational training, both in the public and the private area. The regulations also aim at authorizing vocational training providers, and at assessing and certifying adult vocational training;
13. Law No 76/2002 – regarding the unemployment insurance system and employment stimulation.

Legislation in the Field of Social Security

1. Law no 69/1991 on decentralization and local autonomy - responsibility of the local authorities to coordinate and administrate social services;
2. Law no 34/1998 - subsidies to social assistance units developed by NGO’s;
3. Law no 208/1997 - local canteens for the poors organized by the local councils;
4. Law no. 17/2000 - social assistance for elderly;
5. The law project on the social assistance system organization;
6. The law project concerning the minimum guaranteed income

SMEs LEGISLATION

1. **ACCOUNTING**
   - Law no.82/1991 on the accounting system
   - Government Ordinance no.75/1999 on the financial audit activity
   - Government Urgent Ordinance no.119/1999 on internal audit and preventive financial control

2. **BANKING**
   - Law no.101/1998 on the Statute of the National Bank of Romania
   - Law no.83/1997 on the privatisation of banking corporations in which the state is shareholder, amended by Government Urgent Ordinance no.88/1997 on the privatisation of companies
   - Government Ordinance no.39/1996 on the establishment and operation of Banking Deposits Guarantee Fund, approved and amended by Law no.88/1997
   - Government Urgent Ordinance no.51/1998 on certain measures prior to the privatisation of banks
   - Government Decision no.387/1999 on the organisation and operation of the Agency for Banking Assets Recovery
3. **BANKRUPTCY**
   - Law no.64/1995 on the procedure of judicial reorganisation and bankruptcy (as modified by the Government Urgent Ordinance no.38/1996, Government Urgent Ordinance no.58/1997 and the Law no.99/1999 regarding certain measures for the acceleration of the economic reform)
   - Law no.83/1998 on the banking bankruptcy procedure

4. **CAPITAL MARKETS**
   - Law no.52/1994 on the securities and stock exchanges
   - Government Ordinance no.18/1993 regarding the over-the-counter transactions of securities and organisation of brokerage institutions
   - Government Ordinance no.24/1993 on the regulation for the establishment and operation of investment funds and investment trusts as financial intermediary institutions
   - Government Decision no.788/1993 for the approval of the Regulation on the public offer for securities sale and the Regulation on the authorisation of brokerage companies and securities agencies

5. **COMPANY LAW**
   - Company Law no.31/1990
   - Law no.15/1990 on the reorganisation of state-owned enterprises into autonomous administration and commercial companies
   - Law no.26/1990 on Register of Commerce
   - Decree-Law no.122/1990 on the authorisation and operation in Romania of the representative offices of foreign companies and corporations
   - Government Urgent Ordinance no.30/1997 on the reorganisation of autonomous administration
   - Law no.99/1999 on certain measures for accelerating the economic reform
   - Decree-Law no.54/1990 regarding the organisation and development of economic activities based on free initiative (traders, natural persons, family associations)

6. **COMMERCIAL ARBITRATION**
   - Decree-Law no.139/1990
   - Civil Procedure Code (art.340-371)
   - Law no.105/1992 on the regulation of the private international law relationship

7. **COMPETITION**
   - Competition law no.21/1996
   - Unfair competition law no.11/1991
   - Law on state aid no.143/1999

8. **CONCESSION**
   - Law no.219/1999 on the regime of concessions

9. **CONTRACTS**
   - Civil Code and Commercial Code
- Government Ordinance no.51/1997 on the leasing companies and leasing operations, as approved and amended by Law no.90/1998 as amended by law no.99/1999 (repubhlished in 2000)
- Government Ordinance no.52/1997 on the legal regime of franchising
- Government Urgent Ordinance no.10/1997 on diminishing financial blocking and economic loss (factoring)

10. CUSTOMS
- Law no.141/1997 on Customs Code
- Customs Regulation approved by Government Decision no.626/1997
- Order of the Ministry of Finance no.1090/1998 for the approval of the methodology regarding the exemption from the customs debt warranty

11. IMPORT AND EXPORT
- Government decision no.215/1992 on the regime of export and import licenses
- Order of the ministry of Industry and Trade no.13/1998 on the regime of export and import licenses for the goods and subject to license

12. INSURANCE
- Law no.47/1991 on the establishment, organisation and operation of insurance companies
- Law no.136/1995 on insurance and reinsurance in Romania

13. INTELLECTUAL PROPERTY
- Patent law no.64/1991
- Law no.84/1998 on trademarks and geographical indication
- Law no.8/1996 regarding copyrights and related rights
- Law no.129/1992 regarding the protection of industrial models and drawings
- Law no.16/1995 on the protection of integrated circuit designs
- Government Ordinance no.41/1998 on taxation in the field of intellectual property protection and their use
- Laws and Government Ordinances for ratification of some international agreements

14. REAL GUARANTEES
- Civil Code
- Commercial Code
- Civil procedure Code
- Law no.99/1999 regarding certain measures for the acceleration of the economic reform

15. SMALL AND MEDIUM ENTERPRISES AND SME AUTHORITY
- Law no.133/1999 on Stimulation of SME’s
- Government Decision no.975/1998 for the organisation and functioning of the Agency for Small and Medium Enterprises (with subsequent modification and completion)
- Government Ordinance no. 64/2000 to ammend the Law 133 regarding the stimulation of the private entrepreneurs and for the establishment and the development of SMEs (suspended through the Emergency Ordinance no. 295/2000).
- Emergency Ordinance no. 297/2000 to ammend Law no. 133.
Government Decision no. 244/2001 to approve the Methodological Norms for the application of Law 133/1999.


Government Decision no.15/2001 regarding the organisation and functioning of the Ministry for SMEs and Co-operatives and Domestic Trade.

Governmental Decision No. 656/10.07.2002 for the acceptance of the European Paper for SMEs

16. TAXATION

- Government Ordinance no.70/1994 on the profit tax (with subsequent modification and completion inclusive G.U.O.no.217/1999)
- Government Ordinance no.26/1995 on the dividends tax
- Law no.34/1994 on agricultural income tax (republished)
- Government Urgent Ordinance no.85/1997 on the personal income tax
- Government Ordinance no.24/1996 on the revenue tax of representative offices in Romania of foreign companies and economic entities
- Government Ordinance no.83/1998 on the non–resident individuals and legal person income tax in Romania
- Government urgent Ordinance no.82/1997 on the excise regime and other indirect taxes
- Law no.87/1994 on the prevention of tax evasion
- Law no.141/1997 on the Romanian Customs Code
- Government Ordinance no.15/1996 on the strengthening on financial and currency policy
- Government Ordinance no.34/1995 on delay penalties
- Government Ordinance no.13/1996 on the granting the facilities related to delay penalties
- Law no.105/1997 on the settlement of objections, appeals and claims on the amounts ascertained and applied by control or taxation acts of the Ministry of finance as amended by the Government Ordinance no.13/1999
- Government Ordinance no70/1997 on the fiscal control
- Order no.1495/1997 of the Minister of Finance
- Order no.1283/1998 on the proceeding and powers to grant payment facilities
- Government Ordinance no. 73/1999 on the global income tax
- Customs taxes: Government Ordinance no26/1993

OTHER

- Law on public debt no.81/1999
- Law no. 189/1998 on Local Public Finance
- Law no.72/1996 on Public Finance
- Law no.69/1991 on Local Public Administration (with subsequent modification )
- Law no. 490/11.07.2002 regarding the industrial parks
- Government Emergency Ordinance no. 97/16.08.2002 - for the modification and completion of the Law no. 143/1999 – concerning State Aid
The Law No. 301/17.05.2002 – for the approval the ordinance no. 119/1999 concerning the internal audit and the preventive financial control

Development of Regional and Local Infrastructure

1. Emergency Ordinance No. 157/1999 for ratification the Financing Memorandum on R0 9903 Phare Programme, regarding Facilities for great infrastructure – 4th part, preparation for ISPA
3. Financing Agreement for the Implementation of Phare Projects through Implementing Agency between National Fund and the National Agency for Regional Development
4. Law No. 71/1996 for the approval of the Special planning of the National Territory (SPNT) Section I – Transport Infrastructure modified by the Rectification No. 71/1996 and promulgated by Decree No. 271/1996
5. Law No. 171/1997 for the approval of the Special planning of the National Territory (SPNT) Section II – Water, promulgated by Decree No. 567/1997.
6. Government Decision No 577/1997 for the approval of the Programme for pavement of communal roads, energy supply, water supply and telephone connections in rural villages, republished in OJ 294/1999

SAMTID legislation and public administration

1. Government Decision No. 8/2001 concerning the organization and operation of the Ministry of Public Administration;
2. Law no. 215/2001 concerning the local public administration;
3. Law no. 326/2001 regarding the Communal husbandry public services;
4. Governmental Decision no. 1006/2001 concerning the approval of the “Strategy concerning the acceleration of the public administration reform”;
5. Law 213/1998 on Public ownership
6. OUG 32/2002 on Organization and operation of the public services of water supply and sewerage
7. Resolution 373/2002 Regarding the organisation and operation of the National Authority of Settlement for Public Services of Communal Husbandry – NASPSCH
8. Governmental Ordinance no 73/ 31 August 2002, regarding the organisation and functioning of the district heating services
# LIST OF INFRASTRUCTURE ELIGIBLE PROJECTS FOR PHARE 2003

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Beneficiary</th>
<th>Activities</th>
<th>Location</th>
<th>Total cost</th>
<th>Phare contrib</th>
<th>Local contrib.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Priority project</strong></td>
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</tr>
<tr>
<td>1. ECOLOGIZATION AND MODERNIZATION OF THE PROTECTION AREAS NEAR THE MONUMENTS FROM THE NATIONAL AND UNESCO PATRIMONY</td>
<td>Suceava County Council</td>
<td>Construction of modern parking places with ecological sanitary facilities (toilets) connected to the water and sewerage networks at 20 famous monasteries in Suceava county.</td>
<td>Suceava County</td>
<td>3.55</td>
<td>2.4</td>
<td>0.355</td>
</tr>
</tbody>
</table>

| Reserve project | | | | | | |
| 2. DEVELOPMENT OF TOURISTIC INFRASTRUCTURE IN THE AREA OF THE MOUNTAINSIDE COZLA – MUNICIPIUM PIATRA NEAMT | Piatra Neamt City Hall | - Rehabilitation of access road (1.6 km) along Cozla mountain (local zoo, belvedere areas) - Rehabilitation storm water collection and discharge system along the road; - Construction of a ski slope and ski lift | Piatra Neamt City – mountain side COZLA | 8.13 | 5.0 | 1.48 |

<table>
<thead>
<tr>
<th>Total RDA North East</th>
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</table>

(mil. Euro)
<table>
<thead>
<tr>
<th>Priority project</th>
<th>Tulcea County Council</th>
<th>Rehabilitation of access roads to several monasteries in the area</th>
<th>Tulcea County</th>
<th>5.7</th>
<th>3.7</th>
<th>0.7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. NORTHERN DOBRUDJA CULTURAL AND TOURISM ASSETS</strong></td>
<td></td>
<td></td>
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<tr>
<td>This project is recommended at contributes to the touristic development of Tulcea county, by facilitating access to monasteries and an old Basilica.</td>
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<tr>
<td>Existing studies/documentation- Feasibility Study.</td>
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</tr>
<tr>
<td>Reserve project</td>
<td>Vrancea County Council</td>
<td>Rehabilitation access road Lepsa-Soveja (DJ 205F, 14 km)</td>
<td>Vrancea County</td>
<td>7.2</td>
<td>4.9</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>2. THE DEVELOPMENT OF TOURISM INFRASTRUCTURE IN THE AREA TULNICI –LEPSA – GRESU - SOVEJA</strong></td>
<td></td>
<td>Construction of 1 information center in Soveja</td>
<td></td>
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<tr>
<td>Construction of medical dispensary, mountain rescue corps headquarters and sports facilities in Lepsa</td>
<td></td>
<td>Construction of medical dispensary in Lepsa</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Sports facilities in Soveja</td>
<td></td>
<td>Ski slope and ski lift in Tisarul Mare – Lepsa</td>
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<td></td>
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<tr>
<td>Ecological waste transfer station in Lepsa and Soveja</td>
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</tr>
<tr>
<td>Total RDA SE</td>
<td>12.9</td>
<td>8.6</td>
<td>1.4</td>
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</tbody>
</table>
### South Muntenia Development Region

**Project from 2001-2002 list**

**1. DEVELOPMENT OF THE TOURIST AREA BRATUL BORCEA – CALARASI**

Objectives:
- Contributes to the development of the tourist infrastructure in the area near Borcea branch and Calarasi municipality
- Contributes for attracting in the area private investors and tourists interested in hunting and fishing tourism
- Contributes to the maintenance of the environment conditions in the area

Feasibility study completed

<table>
<thead>
<tr>
<th>Calarasi County Council</th>
<th>Arrangement of a land surface necessary for locating the tourist objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ensuring the town infrastructure of the tourist area</td>
</tr>
<tr>
<td></td>
<td>Achievement of operational tourist infrastructure of the area:</td>
</tr>
<tr>
<td></td>
<td>- Centre for tourist department and park administration</td>
</tr>
<tr>
<td></td>
<td>- Centre for tourist promotion of the area</td>
</tr>
<tr>
<td></td>
<td>- Local village museum</td>
</tr>
<tr>
<td></td>
<td>- Navigation center</td>
</tr>
<tr>
<td></td>
<td>- Space arrangement for accommodation</td>
</tr>
<tr>
<td></td>
<td>- Achievement of objectives with thematic typology (hunting and fishing)</td>
</tr>
<tr>
<td></td>
<td>The last three objectives will be achieved from the County Council and the private sector contribution, as parallel financed projects.</td>
</tr>
</tbody>
</table>

Calarasi city, Bratul Borcea 5.76 3.9 0.56
### 2. DEVELOPMENT OF THE TOURISM POTENTIAL OF THE DOFTANA RIVER VALLEY

Existing studies/documentation- Feasibility Study. Design Brief + EIA available for 14 km of road + bridges

Project aiming to ensure appropriate transport connection in a highly crowded touristic area, providing an alternative to the DN 1 as additional transport connection between Prahova and Brasov counties (national roads DN1 and DN1A)

Doftana Valley explicitly mentioned in the Ministry of Tourism strategic identification of ‘Areas with high tourist interest, with priority for tourism development’

Conditionality:
The project will be considered for Phare financing under the condition that it includes also the rehabilitation of the road in Brasov county, until the national road DN1A, so that the link between the two touristic areas (Prahova Valley and Cheia-Sacele) is secured.

<table>
<thead>
<tr>
<th>Prahova County Council Local Council Valea Doftanei</th>
<th>- Rehabilitation of 14 km ( + 4 bridges) of the county road DJ 102I, starting from Valea Doftanei locality until the border of Prahova county.</th>
<th>Valea Doftanei Prahova County</th>
<th>6.5</th>
<th>4.425</th>
<th>0.6</th>
</tr>
</thead>
</table>

#### Total RDA South Muntenia

| South-West Development Region |
|---|---|---|---|
| Priority project | Valcea Local County | - Construction of a 3.2 km sewerage collector for the industrial area in Raureni - Construction of a 5.6 km sewerage collector between the industrial | Valcea industrial Area | 3 | 2.025 | 0.3 |

<p>| | Total RDA South Muntenia | 12.26 | 8.325 | 1.16 |</p>
<table>
<thead>
<tr>
<th>Reserve project</th>
<th>Olt County Council</th>
<th>Olt County, Slatina</th>
<th>6.5</th>
<th>3.75</th>
<th>1.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. ENVIRONMENTAL REHABILITATION OF SLATINA INDUSTRIAL AREA</td>
<td>- Rehabilitation of 7 streets in the industrial area</td>
<td>- Construction of an environmental center</td>
<td>- Construction of a business center</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing studies/documentation- Feasibility Study.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project from 2001-2002 list</th>
<th>Timis County Council</th>
<th>Timis County</th>
<th>4.5</th>
<th>3.1</th>
<th>0.37</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. ENVIRONMENTAL PROTECTION OF THE SURDUC LAKE AREA – REHABILITATION OF THE RURAL INFRASTRUCTURE AND INTRODUCTION OF THE SURDUC LAKE AREA IN THE INTERNATIONAL TOURIST CIRCUIT</td>
<td>Environmental infrastructure (water and waste water management system) building;</td>
<td>Modernisation of access roads;</td>
<td>Building Multifunctional Centre for public services, marketing and tourist information - total surface of 1600 sqm; Landscaping and leisure fitting out of the area;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- To create a basic and specialised infrastructure in order to capitalise the local and regional economic and tourist potential and to develop the tourism and tourist businesses, but also making operational some sustainable mechanisms that are necessary for providing the public services and protecting the environment. Feasibility study completed</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

| Total RDA South – West Oltenia | 14 | 8,875 | 2.17 |
### West Development Region

<table>
<thead>
<tr>
<th>Priority project</th>
<th>County Council</th>
<th>Hunedoara</th>
<th>Reserve project</th>
<th>Arad County Council through the Administration of Roads and Bridges</th>
<th>Hunedoara County, Orăștieoara de Sus Commune</th>
<th>Arad County, Moneasa</th>
<th>Total RDA West</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. INTEGRATION IN THE WORLD TOURISM CIRCUIT OF DAC FORTRESSSES FROM ORĂȘTIE MOUNTAINS, WITNESSES OF ROMANIAN PEOPLE GENESIS</td>
<td>Hunedoara</td>
<td>- Modernization of access roads to Cetatuia, Biliardari and Sarmizegetusa Regia dac fortresses; - Restauration works at the three archeological sites.</td>
<td></td>
<td></td>
<td></td>
<td>7.15</td>
<td>5</td>
</tr>
<tr>
<td>Reserve project</td>
<td></td>
<td></td>
<td>2. THE DEVELOPMENT OF TOURISTIC POTENTIAL OF HEALTH RESORT MONEASA, INCLUDING THE MODERNIZATION OF COUNTY ROAD DJ 792 B MONEASA – BIHOR COUNTY LIMIT</td>
<td>Moneasa</td>
<td>- Rehabilitation of 6.5 km of access road to Moneasa spa; - Arrangement and inclusion in the touristic circuit of Moneasa cave; - Construction of a touristic information center in Moneasa; - Construction of sports facilities; - Construction of ski slope and ski lift facility in Poiana Cervasa.</td>
<td></td>
<td>3.9</td>
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<td></td>
<td></td>
<td><strong>Total RDA West</strong></td>
</tr>
</tbody>
</table>

### North-West Development Region

<p>| Priority project | Turda LC / Sangeorz Bai LC / Ocna Sugatag LC / Cluj CC | - Rehabilitation of the waste water treatment plant, streets and alleys in Sangeorz Bai spa; - Rehabilitation of | Sangeorz Bai / Turda / Ocna Sugatag | 8 | 5 | 1.35 |</p>
<table>
<thead>
<tr>
<th>REGION</th>
<th>Completed - feasibility study for each site</th>
<th>Bistrita CC / Maramures CC</th>
<th>access road to Baile Turda spa; - Rehabilitation of the access road to the touristic area Ocna Sugatag and construction of the sewerage network.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve project</td>
<td>2. BY PASS DEVELOPMENT IN PRINCIPAL ECONOMIC POLES OF NORTH – WEST REGION ON E60 ROUTE (BY PASS ORADEA CITY – BY PASS SE CLUJ-NAPOCA CITY)</td>
<td>Oradea Local Council</td>
<td>- Construction of a sector of the ring road in Cluj-Napoca (19 km rehabilitation + 4 km new road), securing connection between two national roads - Extension to 4 lanes (8.2 km) of a sector of the existing ring road in Oradea</td>
<td>Oradea 13.8 5 7.15</td>
</tr>
<tr>
<td></td>
<td>Completed documentation Oradea - feasibility study; technical project, environmental impact assessment; traffic survey Cluj-Napoca - feasibility study</td>
<td></td>
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</tr>
<tr>
<td>“Centru” Development Region</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Priority project</td>
<td>1. THE CAPITALIZATION OF THE TOURISTIC AND ECONOMIC POTENTIAL OF AIUD VALLEY THROUGH THE REHABILITATION OF THE TRANSPORT INFRASTRUCTURE</td>
<td>County Council Alba</td>
<td>Rehabilitation of the county road DJ107M over 26 km length (many touristic objectives along the road, position 12 in the list with priority touristic zones: western Carpathians).</td>
<td>Aiud Valey, between DN1 – Cluj county border – Aiud – Livezile – Rimetea – Cluj county border 3.4 3 0.4</td>
</tr>
</tbody>
</table>
## Reserve project

### 2. RING-ROAD BRASOV – FIRST PHASE

The project has feasibility study and technical design

<table>
<thead>
<tr>
<th>County Council Brasov in partnership with Brasov City Hall</th>
<th>Construction of the first sector of the Brasov ring road, between the national roads DN11 and DN13, total length: 6.14 km.</th>
<th>Brasov</th>
<th>6.99</th>
<th>5</th>
<th>1.99</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total RDA Centru</td>
<td></td>
<td></td>
<td>10.39</td>
<td>8</td>
<td>2.39</td>
</tr>
</tbody>
</table>

### Bucharest Ilfov Development Region

#### Project from Phare 2001-2002 list

#### 1. ENVIRONMENTAL REHABILITATION OF SNAGOV LAKE

- Economical and social development of the area by the rehabilitation of the existing hydrographical system (Snagov Lake) in the central areas of Snagov and Ghermanesti;
- Improvement of business environment and development of the economic tissue in the area;
- Promoting the region tourism activities - the area is the major tourist attraction in the county, region, and proximities;
- Improving the health conditions and living standards for the habitants of the area;

Feasibility study, economical and financial analysis, EIA, completed

<table>
<thead>
<tr>
<th>Snagov City hall</th>
<th>Bucharest Ilfov County</th>
<th></th>
<th>Ilfov County</th>
<th>7.33</th>
<th>4.6</th>
<th>1.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>- hydro-technical structure necessary to human settlements – sewerage, caption, transportation pipes, tanks, pump up stations, disaffection, and cleaning station, - building of the individual networks and transportation to the cleaning station (Floresti village) for the taking over of the used waters from all lake neighbouring localities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 2. ECOLOGIC REHABILITATION OF FOUR LAKES ON THE COLENTINA RIVER AND THE CLEANING OF ADJACENT AREAS WITH A VIEW TO REINTRODUCE THEM IN THE TOURISTIC CIRCUIT OF BUCHAREST

<table>
<thead>
<tr>
<th>Bucharest City Hall</th>
<th>Bucharest</th>
<th>Cleaning 4 lakes of touristic interest in Bucharest (Baneasa, Herastrau, Pantelimon II and Tei)</th>
<th>Bucharest</th>
<th>13.0</th>
<th>5.0</th>
<th>6.35</th>
</tr>
</thead>
</table>
The project has feasibility study - Extraction of sediments, rearranging of banks, dams rehabilitation.

<table>
<thead>
<tr>
<th>Total RDA Bucharest Ilfov</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20.33</td>
<td>9.6</td>
<td>7.65</td>
</tr>
</tbody>
</table>

**TOTAL PHARE 2003**

|                  | 114.41 | 68.4 | 18.355 |