Standard Sector Programme Fiche

PUBLIC ADMINISTRATION

SUPPORT TO PUBLIC ADMINISTRATION REFORM IN ROMANIA
### Summary

<table>
<thead>
<tr>
<th>CRIS Nr</th>
<th>2004/016-772.01.03</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>Support to Public Administration Reform in Romania</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td>PAR</td>
</tr>
<tr>
<td><strong>Budget (2004 – 2006)</strong></td>
<td>Total</td>
</tr>
<tr>
<td><strong>Budget (2004)</strong></td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>12.82 [€Mio]</td>
</tr>
</tbody>
</table>

In 2001, the Government adopted a strategy for accelerating public administration reform. While some steps have been completed, the full objectives, which were too ambitious, have not been attained. Romania has adopted complex legislation promoting reform of the civil service, decentralization of fiscal resources and public services, and fighting corruption, and creating new institutions to prepare and apply the reforms. But many of these laws have not yet been fully implemented properly and new institutions are not yet fully operational. Thus, further reforms of public administration remain as the most important objectives of the next three years during Romania’s accession to the European Union. In agreement with the European Commission, the Romanian Government identified three areas in the field of Public Administration reform where significant progress must be made: civil service reform, decentralization and de-concentration of public services, and the policy formulation process. These main issues represent the priorities of the updated Strategy of the Government concerning the acceleration of the public administration reform in Romania during the period 2004 – 2006. It is the result of a long process of technical and political work. The reforms proposed by the Government were publicly debated in the nine regional and national meetings within a National Forum.

The three priorities combine a significant investment in a sustainable public administration training and development initiative with the creation of new structures for decentralisation and deconcentration and the development of a new policy making process. The priorities help to meet the overall objectives in several ways: they directly address capacity building for improved policy making, they begin the implementation of the decentralization reform, they reform the structures and conditions for human resource management in the civil service and they develop the local institutional capacity (at national and regional levels) to sustain the training and development of present and future Romanian civil servants at middle and senior management levels.

Results may be listed as: implementation of a system for selection, assessment and promotion on the basis of merit and performance; implementation of a unitary salary system for the civil servants; development of the NACS capacity to elaborate, implement, monitor and co-ordinate public policies concerning HR management in the civil service; modernization of HR management; within the entire civil service system through the Informational System Strategy; a corps of professional managers fully integrated and adequately employed within the system, and the competences necessary for supporting the reform and EU integration process; in-service training strategy for civil servants implemented through adequate institutional capacities; clear repartition of competences between all tiers of government; increased local fiscal autonomy and better transparency and accountability in the use of public funds at local level; local public administration capable to manage efficiently decentralized services.
Table of projects constituting the Phare measures in the sector

<table>
<thead>
<tr>
<th>Project Nr²</th>
<th>Title</th>
<th>Total costs €Mio</th>
<th>Phare funding €Mio</th>
<th>Start</th>
<th>End</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Civil service reform</td>
<td>28.20</td>
<td>25.30</td>
<td>2005</td>
<td>2008</td>
</tr>
<tr>
<td>2</td>
<td>Local government reform continuation of the decentralization / deconcentration process</td>
<td>11.04</td>
<td>10.58</td>
<td>2005</td>
<td>2008</td>
</tr>
<tr>
<td>3</td>
<td>Central government reform – improvement of the policy formulation process</td>
<td></td>
<td>To be defined in the context of subsequent revisions of the programme</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

² For each project listed here a project fiche is to be attached. See programme specific project fiche template.

¹ The information concerning the budgetary years 2005 and 2006 is only estimative and does not bind the two parties.
Table of content

SUMMARY ........................................................................................................................ ...................................A

TABLE OF PROJECTS CONSTITUTING THE PHARE MEASURES IN THE SECTOR.................A

TABLE OF CONTENT ............................................................................................................... ..........................1

1 BASIC INFORMATION .............................................................................................................................4
  1.1 CRIS NUMBER (2004): LEAVE BLANK .............................................................................................4
  1.2 TITLE:..................................................................................................................................................4
  1.3 SECTOR: LEAVE BLANK ....................................................................................................................4
     1.3.1 Title of Priority sector: ..................................................................................................................4
     1.3.2 Title of monitoring sector: ...........................................................................................................4
  1.4 BENEFICIARIES AND GEOGRAPHICAL COVERAGE: .........................................................................4
  1.5 DURATION: 2004 TO 2009 ......................................................................................................................4

2 OBJECTIVES ...........................................................................................................................................5
  2.1 THE NEEDS ........................................................................................................................................5
     2.1.1 Contribution to National Development Plan ..................................................................................5
  2.2 OVERALL OBJECTIVE OF THE SECTOR PROGRAMME ......................................................................6
  2.3 PROGRAMME PRIORITIES AND ITS IMPACT ON THE SECTOR .............................................................6

3 DESCRIPTION ...........................................................................................................................................9
  3.1 BACKGROUND AND JUSTIFICATION: .................................................................................................9
  3.2 SECTORAL RATIONALE .........................................................................................................................11
     3.2.1 Identification of needs and necessary action: ................................................................................11
     3.2.2 Identification of projects .............................................................................................................13
     3.2.3 Activities and Means ....................................................................................................................14
  3.3 LINKED ACTIVITIES: ............................................................................................................................28
  3.4 LESSONS LEARNED: ............................................................................................................................30

4 EXPECTED RESULTS OF THE PROGRAMME .......................................................................................31

5 DETAILED BUDGET ...............................................................................................................................32

6 IMPLEMENTATION ARRANGEMENTS ....................................................................................................36
  6.1 INSTITUTIONAL FRAMEWORK ............................................................................................................34
  6.2 IMPLEMENTING AUTHORITY ...............................................................................................................37
  6.3 IMPLEMENTATION SCHEDULE ............................................................................................................38
  6.4 MONITORING AND INDICATORS OF ACHIEVEMENT ........................................................................39
1 Basic Information

1.1 CRIS Number (2004): 2004/016-772.01.03

1.2 Title:

Support to Public Administration Reform in Romania

1.3 Sector:

1.3.1 Title of Priority sector: Public Administration Reform

1.3.2 Title of monitoring sector: Sector Monitoring Sub-Committee, No. 2, Strengthening the administrative capacity – public finance and public function

1.4 Beneficiaries and geographical coverage:

Central and local public administration in Romania

1.5 Duration: 2004 to 2009

The sector programme will be funded from EU resources of the budgetary years 2004 to 2006. Allocations for 2004 will be subject of the Financing Memorandum 2004 containing also indicative allocations to this programme for the years 2005 and 2006. Contracting deadlines for projects under this programme and deadline for execution of contracts will be determined in the FM as well.
2 Objectives

2.1 The Needs

The Public Administration Reform Sector is one of eight priority sectors agreed between the Government of Romania and the European Commission in an effort to comply with the Copenhagen criteria. The Sector covers several of the key levers of change in public management – the policy process, the civil service process and the accountability process. Other priority sectors cover the remaining public administrative reform areas, particularly public finance reform.

The main objectives of the public administration reform, according to the updated strategy of the Government, are met in the Accession Partnership, which sets the following priorities and objectives:

- Adopt a comprehensive strategy for the reform of the civil service that clarifies the institutional responsibilities for administrative reform and that covers: (i) comprehensive pay reform to be agreed in full consultation with the IFI’s, (ii) improved provisions for both initial and in-service training, (iii) the institution of a career structure based on transparent promotion and assessment (iv) introduction of elements of modern human resource management, and (v) strengthening of administrative structures in order to ensure that Romania has the capacity for fully effective use of EC funds. The strategy should both set out a programme of sequenced reforms and also provide a framework for multi-annual donor assistance.

- Adopt a comprehensive strategy for the reform of the policy formulation process that will cover: (i) policy co-ordination and consultation procedures between ministries, (ii) consultation of stakeholders, (iii) screening all draft legislation for its budgetary implications and (iv) screening all draft legislation for compatibility with the Europe Agreement and the acquis communautaire. The strategy should both set out a programme of sequenced reforms and also provide a framework for multi-annual donor assistance. In order to implement the Strategy a dedicated reform unit should be set up.

- Reduce the reliance on ordinances, and emergency ordinances, as a legislative instruments and clarify the circumstances under which these provisions can be used.

- Adopt a comprehensive strategy for the management of the on-going process of decentralisation/deconcentration. The strategy should set out a programme of sequenced reforms and also provide a framework for multi-annual donor assistance. Particular attention should be paid to the issue of providing adequate resources to the local levels of government in a fully transparent and predictable manner in order to allow resources to match increased responsibilities.

The updated strategy of the Romanian Government concerning the acceleration of the public administration reform, supports the priorities covered in this programme fiche. The main objectives identified and which the sector programme should support to be achieved, are:
• creation of a professional corps of civil servants, stable and politically neutral through creating a unitary and coherent legal foundation and offering professional training and human resources management with the full commitment of ministries, agencies and all other governmental institutions.

• continuing the decentralization/deconcentration process to improve public services delivery and to create a coherent and effective assignment of responsibilities, financial resources and rights to all levels of local governments.

• strengthen the process through which public policies are formulated and legislation is prepared by creating coordinated systems and a strengthened capacity for the management of governmental structures.

2.1.1. Contribution to National Development Plan

The primary objective of the MAP 2004 – 2006 is to create a critical mass of highly professional and competent senior civil servants at central and local government level. This objective will improve the capability of the Romanian civil service to design better NDPs and will improve the management capability to implement the NDPs at central and local level.

2.2 Overall Objective of the sector programme

The general goal of the public administration reform

The goal is to achieve European standards and values of transparency, predictability, accountability, adaptability and efficiency in the Romanian public administration.

Overall objective of the sector programme

The overall sector objective is to make significant progress in the areas of civil service reform, decentralization and de-concentration of public services, and the policy formulation process.

2.3 Programme priorities and its impact on the sector

The sectoral program has three sub-objectives (as priorities):

- civil service reform by assuring a professional body of civil servants, stable and politically neutral;
- local public administration reform through the continuation of the decentralization/deconcentration process;
- central public administration reform through improvement of the policy formulation process.

The three priorities combine a significant investment in a sustainable public administration training and development initiative with the creation of new structures for decentralisation and deconcentration and the development of a new policy making process.
The priorities help to meet the overall objectives in several ways: they directly address capacity building for improved policy making, they begin the implementation of the decentralization reform, they reform the structures and conditions for human resource management in the civil service and they develop the local institutional capacity (at national and regional levels) to sustain the training and development of present and future Romanian civil servants at middle and senior management levels.

The anticipated impact of the priorities is summarised in the table below.

<table>
<thead>
<tr>
<th>Priority Nr</th>
<th>Short title</th>
<th>Summary of expected impact, when achieving them</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Implementation of the pay system in order to ensure the decrease of the staff turnover, as well to ensure a better motivated staff and to improve the capacity for retaining and promoting the staff.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increase the capacity of human resources.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Improve the informational systems for a more effective use of resources. Improved ability to manage resources, design and implement policies within the central and local administration by 2007.</td>
</tr>
<tr>
<td>2.</td>
<td>Local government reform – continuation of the decentralization/ deconcentration process</td>
<td>Improved public services delivery having in view better access of the citizens, promptly and quality services and a better adequacy between the services and the local needs by 2008.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Coherent and effective assignment of responsibilities, financial resources and rights to all levels of local government by 2008.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local public administration able to efficiently manage the decentralized competences</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Production of first strategic plans in the period 2006 to 2008.</td>
</tr>
</tbody>
</table>
| 3. | **Central government reform – improvement of the policy formulation process** | **Coordinated systems for policy formulation process**  
**Strengthened capacity for the management of governmental structures concerning the policy formulation process** |
3 Description

3.1 Background and justification:

The reform measures foreseen to be implemented according to the action plan from the updated strategy are expected to be supported (part of them) through the projects included within the multi-annual Phare programme 2004 – 2006.

In 2001, the Government adopted a strategy for accelerating public administration reform. While some steps have been completed, the full objectives, which were too ambitious, have not been attained. Romania has adopted complex legislation promoting reform of the civil service, decentralization of fiscal resources and public services, and fighting corruption, and creating new institutions to prepare and apply the reforms. But many of these laws have not yet been fully implemented properly and new institutions are not yet fully operational. Thus, further reforms of public administration remain as the most important objectives of the next three years during Romania’s accession to the European Union.

In agreement with the European Commission, the Romanian Government identified three areas in the field of Public Administration reform where significant progress must be made: civil service reform, decentralization and de-concentration of public services, and the policy formulation process. These main issues represent the priorities of the updated Strategy of the Government concerning the acceleration of the public administration reform in Romania during the period 2004 – 2006. It is the result of a long process of technical and political work. The reforms proposed by the Government were publicly debated in the nine regional and national meetings within a National Forum.

Salary system

Now the Romanian legislative framework has a salary law, which is in force, but having in mind that the civil service structure was changed through Law 161/2003, it is envisaged to elaborate a new salary law based on the new system of civil service positions.

Under the Phare Project RO 0106.04 a draft law was designed together with the Agency’s experts, which was presented during several public debates where participated the trade unions, different NGO’s, the representatives of the Ministry of Public Finances and Ministry of Labor, Social Solidarity and Family, as well as other stakeholders. In the same time, this law was discussed with the representatives of SIGMA, European Commission, etc.

The final draft law was elaborated on Friday 25th of June 2004 and it was submitted for approval to the Ministry of Administration and Interior, being sent also to the European experts.

Informational System Strategy

In order to have a very complete and efficient database containing the information regarding the entire number of civil servants, which is managed by NACS, and also regarding the total number of civil service positions, no matter if they are occupied or vacant, it is necessary to improve the existing database.

We have to admit the fact that this database was set up through another Phare Project, but due the fact that after the end of this Project the Agency had no money to maintain it and to continue to up-date it, the database was useful but in a very moderate way.
In the same time, between April and May 2004, under a program financed by DFID, in collaboration with IMAS, it has been implemented a new software (SPSS), which allows to carry out statistic reports, superior to those that existed before. The bilateral cooperation NACS - DFID (UK) ensures for NACS a long-term technical assistance in many fields, and among these is the elaboration of the Informational System Strategy, of which its elaboration is financially supported by DFID and for whose implementation the Romanian Government committed to a financial support of almost 1 million Euro.

The necessity of this IS Strategy resulted after several discussions with the representatives from World Bank, Prime Minister’s office, from other ministries and different stakeholders, of which implementation it was estimated to cost about 5-6 millions Euro.

Now the tender is about to be organized at the beginning of July in order to select a company able to design this IS Strategy. From this Strategy it will be issued a clear program and the stages that have to be accomplished in order to have an efficient civil servants and civil service positions database.

Although concrete actions were taken between 2001 and 2003 under the plan of reform, focusing mainly on creating the necessary legislative and institutional framework for improving and strengthening public administration, technical analyses carried out by Romanian experts, with the support of foreign consultants, revealed the following deficiencies:

**For civil service:**
- An insufficient integrated regulation for the management of the public administration personnel;
- Activities of civil servants are poorly planned, lacking a long-term strategy, a continuity of actions does not exist, and problems are addressed in an ad hoc fashion;
- In many cases, excessive central authority has been applied leading to implement reforms and civil servants have been considered objects rather than subjects of the reform leading to poor management of human resources;
- The lack of an integrated system of training and professional development of civil servants and the inability of the public sector to attract high qualified young professionals;
- The lack of a structured network of trainers in the field of public administration;
- Not enough funds for participation of the civil servants in training programs;
- Unclear assignment of responsibilities of HR departments within institutions of the public administration in terms of ongoing training of own personnel;
- No correlation between the training of civil servants and their career development;
- Existence of some major organizational and operational differences between ongoing training providers;

**For decentralization process:**
- Lack of political consensus on goals of decentralization resulted in an inconsistent implementation process;
- The process of decentralization and deconcentration of public services is incomplete: competencies of different levels of government have not been adequately clarified and have not been matched with corresponding transfers of property and fiscal resources;
- Local autonomy is limited by the lack of rule based and predictable intergovernmental financial transfers, inadequate locally generated revenues, and constraints on local decision-making capacity to approve and control activities;
• Transfer of competencies was not accompanied by the transfer of adequate financial resources and decision making rights to the local level;
• Limited capacity to generate own source revenues for local governments limits financial autonomy;
• The earlier practice of responsibility allocations without sufficient preparation and training created limitation in local capacity to efficiently organize the service delivery.

For policy formulation process:
• Most of the administrative changes made so far have been driven by external factors (financial requirements, etc.). Internally generated reforms to promote more administrative efficiency have lacked consistency. The internal capacity to analyze, develop and to implement new policies and to enforce new laws has been inadequate;
• A limited degree of efficiency for the developing/organization of government meetings;
• Limited capacity of the General Secretary of the Government to realize a political coordination and a qualitative monitoring of the process of government policy implementation;
• Limited technical substantiation of the decision’s proposals regarding the public policies sent for Government approval (generally there is a budget estimate but there are no studies for social and economical impact);
• Lack of transparency within the process of public policies formulation and implementation;
• For Policy development, a primary responsibility of the Government, a subordinate role has been accorded and is not supported by technical analysis. Also, coordinating mechanisms are poorly developed, failing to provide proper coherence to the decisional process.

3.2 Sectoral rationale

3.2.1 Identification of needs and necessary action

Gaps identified on the three main domains of the reform:

➢ In the domain of civil service:
- Primary and secondary legislation regarding the remuneration system for civil servants; regulation for developing a career system;
- General framework for the performance evaluation of the civil servants;
- Efficient and operational recruitment and selection system for civil servants;
- Foresight on middle and long term regarding the management of civil service; Specialized training on design and implementation of the measurement indicators of performance regarding the civil servant activities and also regarding the functioning of the public institutions;
- Specialized training for the planning of the human resources, management based on objectives, public servants recruitment and selection, management of the data basis.
- Enough training capacity according to the total number of civil servants to be annually trained as foreseen in the law 161/2003;
- National network including all providers of training in public administration;
- Unitary standards for civil servants training;
- Monitoring mechanisms of the training process;
- Specialized training on evaluation of the training programmes offered by providers of continuing education in public administration;
- Adapted curricula according to the EU standards at all public servants levels; Public managers body established to improve the performance of the Romanian administrations.

**In the domain of decentralization/deconcentration**
- Primary and secondary legislation as well as mechanisms and procedures to sustain the implementation of the decentralization process;
  An inter-ministerial technical commission in charge with the coordination and monitoring of the decentralisation / de-concentration process;
- Sectoral groups in charge with elaboration of the sectoral strategies and impact analysis related to the decentralization in certain domains;
- Addressing the lack of predictability and clarity in allocating intergovernmental transfers limits local planning and efficient use of resources;
- Adjusting the equalization mechanisms to ensure just distribution and equity among local authorities from different counties
- Complete transfer of property in order to promote effective local asset management ²;
- Weak capacities of LPA staff to carry out the competences transferred (insufficient staff, insufficient financial resources, insufficiently trained staff)
- Lack of Human Resources management policies in Local public administration
- Professionalisation of the Prefect function
- Introducing institutional arrangements to strengthen the transparency of local public finance Important rights were not transferred to the local authorities that restrict local capacities for efficiently organizing service delivery (e.g. price setting authority for several utilities) ³.

- In some fields the direct control mechanisms and the prevalence of discretionary decisions have survived. Domains with clear, transparent, rule based regulations are scarce. This limits financial forecasting and planning as well as the possibility for experimentation and introduction of creative local solutions for more efficient service delivery. Indirectly it also limits the absorption capacity of EU funds.
- Autonomous local financial management is limited by the low share of own revenues, - The preponderance of earmarked funding is an obstacle to cost effectiveness as it limits local service integration and coordination
- Gap between the decisional competencies transferred to local authorities and the allocated resources for sustaining them creates difficulties for delivering quality services (the allocation of the local resources does not reflect the responsibility changes either)

---

² aspect underlined at the conference from Bucharest –9-11 October 2003 within the National Forum for public debates of the updated strategy
³ aspect underlined at the conference from Sinaia – 4-5 December 2003 within the National Forum for public debates of the updated strategy
⁴ aspect underlined at the conference from Bucharest –9-11 October 2003 within the National Forum for public debates of the updated strategy
⁵ aspect underlined at the conference from Bucharest –9-11 October 2003 within the National Forum for public debates of the updated strategy
In the domain of policy formulation process
- Standard system regarding the design of public policies;
- Impact analysis related to the public policy implementation process;
- Standard path within the policy development process and specific techniques of central government decision making;
- Testing the effects of public policies within a pilot phase;
- Training on approaches and procedures regarding the measurement of the public policies effects;
- Specialized training for the key actors involved within the policy formulation process.

### 3.2.2 Identification of projects

<table>
<thead>
<tr>
<th>Project Nr</th>
<th>Title</th>
<th># of tasks</th>
<th>Relates to priority</th>
<th>Total cost €Mio</th>
<th>Starts at DD/MM/YY</th>
<th>Ends DD/MM/YY</th>
<th>Implementation tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Professionalisation of the civil service</td>
<td>7</td>
<td>1</td>
<td>28.20</td>
<td>2005</td>
<td>2008</td>
<td>Technical assistance</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Supply contract</td>
</tr>
<tr>
<td>2</td>
<td>Support for the decentralisation/deconcentration process in the Romanian public administration Component 1 and 2 Component 3</td>
<td>3</td>
<td>2</td>
<td>11.04</td>
<td>2005</td>
<td>2008</td>
<td>Twinning</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Technical assistance</td>
</tr>
</tbody>
</table>
|            |                                                                       |            |                     |                 |                     |               | Grant scheme        +
| 3          | Strengthening the central Government’s capacity for coordinating the formulation, implemention and monitoring process of public policies | 5          | 1                   | To be defined in the context of subsequent revisions of the programme |                     |               |                     |

Project 3 is proposed to be financed starting with Phare allocation 2005. At this stage no project fiche was attended on policy formulation process.

The activities of project 3 will come at a subsequent revision of the sector programme fiche.
3.2.3 Activities and Means

Project 1: Tasks

- Task 1: Implement Civil Service Reform (TA)
- Task 2: Modernise HR (TA)
- Task 3: Modernise HR (Supply)
- Task 4: Corps of Professional Public Managers (TA)
- Task 5: YPS (TA)
- Task 6: Strengthen INA and RTC capacity (TA)
- Task 7: Logistical Support for INA and RTCs (Supply)
Project 1: NACS Tasks and Components

- NACS Components
  - Task 1: Implement Civil Service Reform (TA)
  - Task 2: Modernise HR (TA)
  - Task 3: Modernise HR (Supply)
    - C1: Selection, assessment & promotion based on merit & performance
    - C2: Implement new salary system
    - C3: Develop institutional capacities of NACS
Project 1: INA Tasks and Components

Project 1: INA Components

Task 4: Corps of Professional Public Managers (TA)
- C1: 1 Year Specialised programme
- C2: Short term programmes

Task 6: Strengthen INA and RTC capacity (TA)
- C1: Capacity for applied training
- C2: Capacity to co-ordinate national in-service network of RTCs
- C3: Capacity to support the in-service training partners network
- C4: RTCs Capacities

Task 7: Logistical Support for INA (Supply)

Note:
Task 6, Component 1 has three subcomponents covering:
1. Strengthening INA Human Resources
2. Train the trainers programme
3. Development of INA knowledge centre
Project 1: CUPAR Task and Components

Task 5: Young Professional Scheme (TA)

- C1: Strengthen INA capability to ensure sustainability of YPS
- C2: Strengthen CUPAR to manage the YPS scheme
- C3: Selection & organisation of TRAINEE scheme
- C4: Finance EU internships for TRAINEES
- C5: Scholarship scheme for postgraduate studies
### Project 1 – Proposed Funding Schedule (including national co-financing)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€m</td>
<td>€m</td>
<td>€m</td>
<td>€m</td>
</tr>
<tr>
<td><strong>Task 1</strong></td>
<td>1.80</td>
<td>0.00</td>
<td>0.00</td>
<td>1.80</td>
</tr>
<tr>
<td>Component 1</td>
<td>0.70</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 2</td>
<td>0.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 3</td>
<td>0.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Task 2</strong></td>
<td>0.20</td>
<td>1.20</td>
<td>0.00</td>
<td>1.40</td>
</tr>
<tr>
<td>Component 1</td>
<td>0.20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 2</td>
<td></td>
<td>1.20</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Task 3</strong></td>
<td>4.40</td>
<td>0.00</td>
<td>0.00</td>
<td>4.40</td>
</tr>
<tr>
<td><strong>Task 4</strong></td>
<td>1.80</td>
<td>0.00</td>
<td>1.00</td>
<td>2.80</td>
</tr>
<tr>
<td>Component 1</td>
<td>1.05</td>
<td></td>
<td>0.60</td>
<td>1.65</td>
</tr>
<tr>
<td>Component 2</td>
<td>0.75</td>
<td></td>
<td>0.40</td>
<td>1.15</td>
</tr>
<tr>
<td><strong>Task 5</strong></td>
<td>0.00</td>
<td>3.50</td>
<td>3.50</td>
<td>7.00</td>
</tr>
<tr>
<td>Component 1</td>
<td></td>
<td>0.10</td>
<td>0.10</td>
<td>0.20</td>
</tr>
<tr>
<td>Component 2</td>
<td></td>
<td>0.10</td>
<td>0.10</td>
<td>0.20</td>
</tr>
<tr>
<td>Component 3</td>
<td></td>
<td>0.70</td>
<td>0.70</td>
<td>1.40</td>
</tr>
<tr>
<td>Component 4</td>
<td></td>
<td>1.20</td>
<td>1.20</td>
<td>2.40</td>
</tr>
<tr>
<td>Component 5</td>
<td></td>
<td>1.40</td>
<td>1.40</td>
<td>2.80</td>
</tr>
<tr>
<td><strong>Task 6</strong></td>
<td>1.80</td>
<td>3.20</td>
<td>1.80</td>
<td>6.80</td>
</tr>
<tr>
<td>Component 1</td>
<td>0.20</td>
<td>0.40</td>
<td>0.30</td>
<td>0.90</td>
</tr>
<tr>
<td>Component 2</td>
<td>0.40</td>
<td>0.50</td>
<td>0.30</td>
<td>1.20</td>
</tr>
<tr>
<td>Component 3</td>
<td>0.40</td>
<td>0.70</td>
<td>0.40</td>
<td>1.50</td>
</tr>
<tr>
<td>Component 4</td>
<td>0.80</td>
<td>1.60</td>
<td>0.80</td>
<td>3.20</td>
</tr>
<tr>
<td><strong>Task 7</strong></td>
<td>0.00</td>
<td>2.00</td>
<td>2.00</td>
<td>4.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10.00</td>
<td>9.90</td>
<td>8.30</td>
<td>28.20</td>
</tr>
<tr>
<td>INA+NACS+CUPAR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Project Activities and Means

The project activities are set out in detail in the project fiche. The activities are focused on the key actors involved in the civil service in order to improve the quality of public services and the quality of the civil servants’ body, namely the National Agency of Civil Servants (NACS), the HR Departments from central and local public administration level – the Coordination Mechanism and other working groups involved in the process of the civil service reform process. It is proposed that these groups will become operational in the course of this project based on the provision of specialized training and study visits to member states, etc.

Project 1, Task 1, Implement Civil Service Reform (TA)

Activities:
Component 1 Selection, assessment & promotion based on merit & performance

1. Identifying the weaknesses and making recommendations on the recruitment, assessment and promotion system
2. Implementing the legislative procedures and drafting and publishing the recommendations for improving the legislative framework in the recruitment, assessment and promotion system
3. Establishing the arrangements for a new inter-ministerial and inter-county system in order to occupy the vacant civil service positions

Component 2 Implement new salary system

1. Implementation of a strategy for pay and grading structure for 2005-2007
2. Elaborating recommendations for improving the new salary system

Component 3 Develop institutional capacities of NACS

1. Issuing and publishing the management Handbook on civil servants and HR policy through this Phare Project there will be elaborated certain HR policy guidelines. Through this Handbook it is envisaged to create a personnel management policy to be disseminated across the entire civil service with a focus on the top civil servants.
2. Reviewing the progresses of the reform program regarding the civil servants

Relationship to other PAR activities

These activities will require co-operation with Ministries of Administration and Interior, Public Finances, the HR Departments from central and local administration.

Project 1, Task 2, Modernize HR within the Romanian Civil Service (TA)

Activities:

Component 1
Technical support for the implementation of the information system strategy.

Component 2
Extending the HR competency framework for NACS’ staff and institution; implementing ethics standards for the civil servants and ensuring the civil service accountability and transparency.

**Relationship to other PAR activities**

These activities will require a close co-operation with Ministries of Administration and Interior, Public Finances, National Institute of Administration, the HR Departments from central and local administration and other public authorities and institutions

**Project 1, Task 3, Modernize HR within the Romanian Civil Service (SC)**

**Activities:**

Improving the informational system across the civil service. It is envisaged to ensure the operability of the civil servants database and to insure more complete information from this database managed by NACS. This is planned to be achieved through implementing the Informational System Strategy. The Strategy is about to be designed with the financial assistance from DFID and for its implementation the Romanian Government has committed itself to allocate 1 million Euro.

**Relationship to other PAR activities**

These activities will require a close co-operation with Ministry of Administration and Interior and other public authorities and institutions

**Project 1, Task 4, Corps of Professional Public Managers (TA)**

**Activities:**

**Component 1:**
- Training for 100 senior civil servants annually through specialized professional education program at INA

**Component 2:**
- Training through short term programmes with priority for tailor made courses.

**Relationship to other PAR activities**

*These activities will require co-operation with Ministries of Administration and Interior, Public Finance, National Agency of civil Servants and Human Resources Departments within central public administration.*

**Project 1, Task 5, Young Professional Scheme (TA)**

**Activities:**
Component 1:
- Prepare INA for ensuring the sustainability of the YPS

Component 2:
- Assistance in strengthen the role of the Central Unit for Public Administration Reform (CUPAR) in leading the development of a stable, apolitical and performant corps of Professionals Public Managers and in managing the YPS scheme

Component 3:
- Assistance in the selection of the candidates and training delivery for the 100 young professionals, including the organisation of the rotation

Component 4:
- Organising and Financing Internships in EU Member States Public Administrations

Component 5:
- Developing Scholarship Scheme for Postgraduate Studies and delivering training and rotation for the second year Scholars, returning from postgraduate studies

Relationship to other PAR activities
These activities will require a strong co-operation among Ministry of Administration and Interior, Ministry of Public Finance and all other ministries and within the Ministry of Administration and Interior among CUPAR, NIA and NACS.

Project 1, Task 6, Strengthen INA and RTC capacity (TA)
Activities:
Component 1:
- Prepare INA to ensure applied training for excellence

Component 2:
- Creation of an efficient coordination mechanism between INA and RTC’s

Component 3:
- Creation of the in-service training partners network.

Component 4:
- Prepare RTC’s in order to implement the in service training strategy

Relationship to other PAR activities
These activities will require the support of NACS, CUPAR

Project 1, Task 7, Logistical Support for INA and RTCs (SC)
Activities:
- Develop the logistical capacity of INA, and RTC,s in order to increase the quality of the services delivered.
Relationship to other PAR activities

These activities will require co-operation with Ministries of Administration and Interior, Public Finance and RTCs.
Project 2

Support for the decentralization / deconcentration process in the Romanian public administration

Project 2 consists of three tasks as shown in the table below

Project 2 - tasks

<table>
<thead>
<tr>
<th>Task</th>
<th>Support for the decentralization / deconcentration process in the Romanian public administration</th>
<th>Relates to priority nr</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Decentralization and deconcentration process led by the central public administration</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Strengthening financial autonomy of local authorities through continuation of fiscal decentralization</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Strengthening local public administration capacity to manage the decentralized services</td>
<td>2</td>
</tr>
</tbody>
</table>

The tasks are further divided into eight sub-components as shown in the project tree. The proposed funding analyzed by sub-component, is set out in the funding table.
Project 2: Support for the decentralisation/deconcentration process

Task 1: Decentralization and deconcentration process led by the central public administration

- **C1:** Framework to sustain the decentralization and deconcentration process
- **C2:** Coordination and monitoring of the decentralization process by CUPAR and reform network
- **C3:** Redefinition of the prefect institution competencies

Task 2: Strengthening financial autonomy of local authorities through continuation of fiscal and financial decentralization

- **C1:** Developing procedures, mechanisms and tools to raise the own revenues at the local level
- **C2:** Strengthening financial autonomy of local authorities

Task 3: Strengthening local public administration capacity to manage the decentralized services

- **C1:** Support to strengthen LPA capacities to manage public services
- **C2:** Management of the Local Government Development and Modernisation Fund (technical assistance)
- **C3:** Local government development & modernization fund (grants scheme)
Project 2 – Proposed Funding Schedule

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€m</td>
<td>€m</td>
<td>€m</td>
<td>€m</td>
</tr>
<tr>
<td>Task 1 (TW 1)</td>
<td>1.40</td>
<td>1.40</td>
<td></td>
<td>1.40</td>
</tr>
<tr>
<td>Task 2 (TW 2)</td>
<td>1.20</td>
<td>1.20</td>
<td></td>
<td>1.20</td>
</tr>
<tr>
<td>Task 3 (TA + Grant scheme)</td>
<td>4.60</td>
<td>3.40</td>
<td></td>
<td>8.00</td>
</tr>
<tr>
<td>Component 1 (TA)</td>
<td>2.00</td>
<td>1.50</td>
<td></td>
<td>3.50</td>
</tr>
<tr>
<td>Component 2 (TA for grant scheme)</td>
<td>0.60</td>
<td>0.40</td>
<td></td>
<td>1.00</td>
</tr>
<tr>
<td>Component 3 (Grant scheme)</td>
<td>2.00</td>
<td>1.50</td>
<td></td>
<td>3.50</td>
</tr>
<tr>
<td>Total</td>
<td>2.60</td>
<td>4.60</td>
<td>3.40</td>
<td>10.60</td>
</tr>
</tbody>
</table>

Project Activities and Means

The project activities are set out in detail in the project level fiche. The activities are focused on the key actors in the decentralization process – local public administrations, citizens, CUPAR, the inter-ministerial technical committee, working groups, the reform network and the Prefects and Sub-prefects. It is proposed that these groups will become operational in the course of this project.

Project 2, Task 1, Decentralization and deconcentration process led by the central public administration (TW)

Activities:

Component 1
- Technical support to the inter-ministerial technical committee and working groups in defining strategic directions, designing sectoral strategies on decentralization/deconcentration;
- Drafting of primary legislation to support the decentralization/deconcentration reform.
- Drafting of secondary legislation to support the decentralization/deconcentration reform

Component 2
• Assistance to CUPAR and the reform network to set up the internal and external monitoring of the decentralization process

Component 3

• Fundamental reform of the role of the prefects, including update of the law, new arrangements for selection, training and development, and performance assessment.

Relationship to other PAR activities

These activities will require co-operation with Ministries of Administration and Interior, Public Finance and GSG (Unit for Public Policy).

Project 2, Task 2, Strengthening financial autonomy of local authorities through continuation of fiscal and financial decentralization (TW)

Activities:
Component 1

• Development of procedures, mechanisms and tools to raise the own revenues at the local level, including property tax issues, regulations covering the control and disbursement of funds, powers to raise funds at a local level.

Component 2

• Strengthening financial autonomy of local authorities. Ensuring the sustainability of the achieved results under Phare 2002. These are secondary legislation, information campaigns to citizens, mainstreaming of pilot projects on good budgetary practices, consolidation of monitoring arrangements, and further implementation of the training strategy relevant to financial and fiscal issues.

Relationship with other PAR activities

A close co-operation with the general public finance reforms (especially on drafting of secondary legislation) will be needed.

Project 2, Task 3, Strengthening local public administration capacity to manage the decentralized services (TA) and (GS)

Activities:

1. Strengthen local public administration capacity to manage the decentralized services

Component 1

• Training for local elected people and local staff in order to increase local capacities to manage public services, implement the acquis communautaire and prepare local public administration to the future structural funds
• Establishing performance monitoring and evaluation framework related to the impact of public policies at local level.
Component 2:

- Technical assistance for the management of the Local Government Development and Modernisation Fund covering operational procedures for the entire activity cycle (planning, communication, selection of projects, follow-up of outputs and results and reporting).

Grant Scheme

The Local Government Development and Modernisation Fund established with MAP support will permit the financing of small projects in key areas for the modernisation of local public administration: public management, human resources, local finances, communication and participatory processes with citizens. Grant contracts will be concluded between the CFCU and beneficiary local authorities, on the basis of competitive evaluation of proposals submitted by local authorities. The activities to be performed under these three components will be further developed in the programming documents for 2005 and 2006.

Relationship with other PAR activities

The Local Government Development and Modernisation Fund management will be in accordance with the standard procedures from Practical Guide for PHARE, ISPA and SAPARD.

Project 3

The activities of project will come at a subsequent revision of the sector programme fiche.

All the details in the sector programme fiches referring to number of contracts, experts’ number and profile, as well as mandays are only for planning reasons and will be more precisely defined and agreed at the implementation stage.
3.3 Linked Activities:

Under the 1998 Phare Programme for Romania the European Commission financed until June 2002 a programme on “Support to the Civil Servants National Agency in Designing and Implementing Civil Service Reform” (RO9804.05). The main goal of this programme was to support the introduction of a permanent, competent and politically neutral civil service on the basis of the Civil Servants Law.

The programming exercise for 2001 has taken into consideration several projects dealing mainly with central public administration.

**PHARE RO-0106.01 Strengthening the institutional capacity of the Ministry of Administration and Interior** aims to reinforce the capacity of the Ministry of Administration and Interior in policy making and drafting regulations in the area of public administration.

**PHARE RO-0106.02 Develop an operational National Institute of Public Administration capable of educating competent civil servants** has as objective the strengthening of the NIA and its role as a specialized public institution in the field of training and professional development of managers, professional civil servants and elected officials, at central and local government levels.

**PHARE RO-2002/000-586.03.02 “Decentralisation and development of the Romanian local public administration”,** which will start in July 2004, has as components with the main objectives the followings:

**Component 1:** Strengthening the institutional capacity of the Romanian public administration in order to achieve fiscal decentralization – twinning convention

- a. Making proposals regarding the delimitation and establishing the financial resources framework for local communities
- b. Proposing recommendations for improving the system for collecting local revenues; Implementation of a pilot project at county level;
- c. Support and advice in preparing a template or model for local budgets based on programmes;
- d. Training local public authorities, both on decisional and executive levels, local elected politicians and civil servants on methods for an efficient administration of financial and patrimonial resources;
- e. Designing a framework and methodology for economic analyses and impact evaluation of local capital and infrastructure investments.

**Component 2:** Grants fund for financing local level projects for improving the management of local public administrations with a special focus on local budget management systems

**Component 3:** Technical assistance in order to prepare operational procedures for the Local Government Modernization Fund management and detailed criteria for project selection

**PHARE RO-0106.03 Creating a Corps of Professionals Public Managers within the Civil Service** has as the main goal creation of an accelerated mechanisms for recruitment and career development leading to the establishment of a competent, non-political corps of Professionals Public Managers within the Romanian civil service.
The scheme is expected to have a significant long-term impact in developing sound recruitment and career development policies and procedures for the civil service.

**PHARE RO-0106.04** Design and implement mechanisms for the full application of the Civil Servants Statute Law aims to underpin the development of the Romanian Civil Service system created by the Civil Servants Statute Law no.188/199.

**PHARE Twinning Light project - RO 0106.06** - Support to the drafting process of the public administration reform strategy has as objective supporting the Ministry of Administration and Interior in formulating the updated strategy of the Romanian Government concerning the acceleration of the public administration reform.

**Annual Phare Programming 2003** “Support for public administration reform process in Romania

**Component 1 - Strengthening the capacity of CUPAR and reform network**

a.) Organizing training for CUPAR which will support the members of the reform network in the elaboration, implementation, monitoring and evaluation process of the multi-annual modernisation programs and other reform actions;

b.) Supporting the CUPAR in order to manage the implementation of the multi-annual modernisation programs at the central and local level.

c.) Developing a proper methodology for the ministerial groups to monitor, evaluate and report (with regard to the necessity to elaborate a synthesis including the conclusions and proposals resulting from the annual monitoring reports).

d.) Up-dating of a web page dedicated to public administration reform process linked to the main web page of the Ministry of Administration and Interior.

e.) Auditing of reform network activities by an external expert, publishing and dissemination of the audit report.

**Component 2 - Developing the Corps of Professionals Public Managers**

Short description to be added in the text

**Other donors**

- DFID (Department for International Development), Great Britain supported and supports NACS in different areas of civil service and civil servants management;
- the SIGMA Programme, which is a joint OECD and EU initiative mainly financed by EU, supports the reform of the public administration sector in Candidate Countries. In Romania, it assesses regularly the progress of the reform and provides its support on the following areas: the Civil Service Reform (legal framework and institutional development), the Management of Public Expenditure, the Public Procurement system, the policy-making system and the financial control and audit systems;
- in 2000, a training programme on European affairs and public management for civil servants was started by ENA and financed by France Government;


• the European Bank for Reconstruction and Development (EBRD) and United States Agency for International Development (USAID), in the local government financial management sector;
• Dutch,\(^1\) Spanish and French bi-lateral assistance, providing training to central and local administrative staff;
• Canadian technical assistance for National Institute of Administration through a training of trainers program;
• Training possibilities in German public administration have been organized on the basis of a cooperation agreement between National Institute of Administration and InWent GMBH (Bonn, Germany).

All this support has been complementary to the Phare support.

### 3.4 Lessons learned:

The previous Phare projects raised several issues that were taken into consideration when this project fiche was proposed, in particular, the complexity, scale and inter-dependencies of the projects in the PAR programme. The current division of the programme into projects, tasks and components and the use of component logframes and separate contracts for each task is an attempt address these project issues.

---

\(^1\) Since January 2000, the MATRA project has provided Technical Assistance to help strengthen the DEA and its ministerial partners.
4 Expected Results of the programme

Priority 1: civil service reform

- Implementation of a system for selection, assessment and promotion on the basis of merit and performance;
- Implementation of a unitary salary system for the civil servants
- Development of the NACS capacity to elaborate, implement, monitor and co-ordinate public policies concerning HR management in the civil service;
- Modernization of HR management; Within the entire civil service system through the Informational System Strategy;
- A corps of professional managers fully integrated and adequately employed within the system, and the competences necessary for supporting the reform and EU integration process;
- In-service training strategy for civil servants implemented through adequate institutional capacities.

Priority 2: Local government reform – continuation of the decentralization and deconcentration process

- Clear repartition of competences between all tiers of government;
- Increased local fiscal autonomy and better transparency and accountability in the use of public funds at local level;
- Local public administration capable to manage efficiently decentralized services.
**5 Detailed Budget**

*Strictly follow the following format.*

<table>
<thead>
<tr>
<th>Year 2004</th>
<th>EU Support</th>
<th>Total EU (I+IB)</th>
<th>National Co-financing</th>
<th>IFI*</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 1</td>
<td>3.30</td>
<td>5.60</td>
<td>8.90</td>
<td>1.10</td>
<td>10.00</td>
</tr>
<tr>
<td>Task 1 (TA)</td>
<td>1.80</td>
<td>1.80</td>
<td></td>
<td></td>
<td>1.80</td>
</tr>
<tr>
<td>Task 2 (TA)</td>
<td>0.20</td>
<td>0.20</td>
<td></td>
<td></td>
<td>0.20</td>
</tr>
<tr>
<td>Task 3 (SC)</td>
<td>3.30</td>
<td>3.30</td>
<td>1.10</td>
<td></td>
<td>4.40</td>
</tr>
<tr>
<td>Task 4 (TA)</td>
<td>1.80</td>
<td>1.80</td>
<td></td>
<td></td>
<td>1.80</td>
</tr>
<tr>
<td>Task 5 (TA)</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Task 6 (TA)</td>
<td>1.80</td>
<td>1.80</td>
<td></td>
<td></td>
<td>1.80</td>
</tr>
<tr>
<td>Task 7 (SC)</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Project 2</td>
<td>2.60</td>
<td>2.60</td>
<td></td>
<td>Matra-0.22</td>
<td>2.82</td>
</tr>
<tr>
<td>Task 1 (TW)</td>
<td>1.40</td>
<td>1.40</td>
<td></td>
<td></td>
<td>1.40</td>
</tr>
<tr>
<td>Task 2 (TW)</td>
<td>1.20</td>
<td>1.20</td>
<td></td>
<td></td>
<td>1.20</td>
</tr>
<tr>
<td>Task 3 (TA)</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Total 2004</td>
<td>3.30</td>
<td>8.20</td>
<td>11.50</td>
<td>1.10</td>
<td>0.22</td>
</tr>
</tbody>
</table>

Indicative budget for the budgetary years 2005 and 2006

<table>
<thead>
<tr>
<th>Year 2005</th>
<th>Indicative EU Support</th>
<th>Total EU (I+IB)</th>
<th>National Co-financing</th>
<th>IFI*</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 1</td>
<td>1.50</td>
<td>7.50</td>
<td>9.00</td>
<td>0.90</td>
<td>9.90</td>
</tr>
<tr>
<td>Task 1 (TA)</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Task 2 (TA)</td>
<td>1.20</td>
<td>1.20</td>
<td></td>
<td></td>
<td>1.20</td>
</tr>
<tr>
<td>Task 3 (SC)</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Task 4 (TA)</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Task 5 (TA)</td>
<td>3.10</td>
<td>3.10</td>
<td>0.40</td>
<td></td>
<td>3.50</td>
</tr>
</tbody>
</table>
## Sector Programme Fiche 2004 - 2006

| Task 6 (TA) | 3.20 | 3.20 | 3.20 | 3.20 |
| Task 7 (SC) | 1.50 | 1.50 | 0.50 | 2.00 |
| **Project 2** | **4.59** | **4.59** | **0.01** | Matra-0.22 | **4.82** |
| Task 1 (TW) | 0.00 | 0.00 | 0.00 | 3.20 |
| Task 2 (TW) | 0.00 | 0.00 | 0.00 | 2.00 |
| Task 3 (TA) | 2.59 | 2.59 | 0.01 | 0.00 |
| Component 1 | 2.00 | 2.00 | 0.00 | 2.00 |
| Component 2 | 0.59 | 0.59 | 0.00 | 0.00 |
| Task 3 (GS) | 2.00 | 2.00 | 0.00 | 0.00 |
| **Total 2005** | **1.50** | **12.09** | **13.59** | **0.91** | **0.22** | **14.72** |

### Year 2006 Indicative EU support

| Project 1 | 1.50 | 5.90 | 7.40 | 0.90 | 8.30 |
| Task 1(TW) | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 2(TA) | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 3(SC) | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 4 (TA) | 1.00 | 1.00 | 1.00 | 1.00 |
| Task 5(TA) | 3.10 | 3.10 | 0.40 | 3.50 |
| Task 6(TA) | 1.80 | 1.80 | 1.80 | 1.80 |
| Task 7(SC) | 1.50 | 1.50 | 0.50 | 2.00 |
| **Project 2** | **3.39** | **3.39** | **0.01** | **3.40** |
| Task 1 (TW) | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 2 (TW) | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 3(TA) | 1.89 | 1.89 | 0.01 | 1.90 |
| Component 1 | 1.50 | 1.50 | 0.00 | 1.50 |
| Component 2 | 0.39 | 0.39 | 0.00 | 0.39 |
| Task 3(GS) | 1.50 | 1.50 | 0.00 | 1.50 |
| **Total 2006** | **1.50** | **9.29** | **10.79** | **0.91** | **11.70** |
6 Implementation Arrangements

6.1 Institutional Framework

The main actors involved in coordination and implementation of the measures that fall under the provisions of the reform process are:

- The **Prime Minister** will guide the governmental reform as a whole, but will delegate specific responsibilities to specific Ministers;

- The whole public administration reform process will be coordinated by the **minister of state, minister of administration and interior**;

- Each minister have to draft a declaration concerning the strategically orientation for the ministry that he/she is in charge with, strategy that can be periodically updated;

- The High Council for Public Administration Reform, Coordination of Public Policies and Structural Adjustments (if in place and operational) will analyze each strategy for each of the ministries and will make suggestions to the ministries and draft recommendations for the Prime Minister; This Council needs to became operational and genuinely involved in this co-ordination process, otherwise we need to re-consider the scheme presented on page 36.

- Three ministers have a special role in the reform process: Minister of State, Minister of the Administration and Interior, Minister of Public Finance and Minister for the Coordination of the Government General Secretariat. These ministries have a general responsibility for certain essential aspects of the whole public administration but also a specific responsibility for the sectors represented by them.

- At the level of the **Ministry of Administration and Interior** the main actors involved in the reform process, under the direct authority of the minister of state are:
  
  - **The Central Unit for Public Administration Reform**, located within the Ministry of Public Administration and Interior, ensures the technical support and monitor the reform process, as well as the development of the decentralization and deconcentration process. This structure will also be the administrative department of the Governmental Council, enforcing its decisions.

  - **The National Administration Institute** is responsible with the elaboration and implementation of the strategy of continuous training (in service training) for civil servants from the local and central public administration; it ensures together with the regional training centres and with the support of the partner institutions, the in service training of the strategic target groups. NIA has the role of: - school of training for excellence for the public servants; - coordinator of the network of continuous training regional centres of the local public administration; - centre of dissemination and support within the partners network.

  - **The National Agency for Civil servants** will ensure the management of the civil service.
We must specify that the ensurance of the institutional coherence depends on the relation between different institutions involved in the process of in service training of the civil servants. Thus, NACS is responsible for the analyses of the training needs in cooperation with the human resources departments within the central and local authorities. That’s why the definition of the training programs must be made in partnership as well as standards creation, and the in service training providers will also cooperate with the Civil Service Observatory.

- **The groups monitoring the reform in the counties and ministries** will be coordinated by the CUPAR. These groups are a nationwide network of modernizers representing the interface between the central and local public administration, between the political and technical sectors of the public administration;

- **Ministry of Public Finance** contributes in a coherent, efficient and transparent way at the elaboration and implementation of the strategy and of the government program in the public finance field having an important role in the management of the economic policies. Together with MAI, it is responsible with performing the fiscal decentralization, ensuring technical support concerning the financial issues specific for the decentralization process at the level of the Inter-ministerial Technical Committee and working sectoral groups. Also, MoPF has an important role in the financial support of the measures concerning civil service reform focused on payment system of civil servants.

- **The Ministry for the Coordination of the Government General Secretariat has** to prepare the systematic reform of the management of policy elaboration, of policy analyses and evaluation of the central decision making process, on long-term.

- **Within the Government General Secretariat was recently set up the Unit for Public Policies** intended to strengthen the coordination capacity of the Government in formulation, implementing and monitoring public policies.

A general institutional scheme of the reform process is presented in the below picture.
6.2 Implementing authority

Twinning, technical assistance and supply projects

For projects 1 and 2, the Implementing Authority (IA) is the Ministry of Administration and Interior through NACS (project 1 –Task 1,2,3), NIA (Project 1 – Task 4,6,7), CUPAR (project 1 –Task 5; project 2 – Task 1,2,3) and PPU (project 3 – Task 1,2,3,4).

The PIU established at the CUPARs’ level related to the public administration reform, will become responsible for the overall technical co-ordination and proper implementation of the activities identified under the components listed in this sector program fiche (Project 1 - Task 5, project 2 Task 1,2,3).

The PIU established at the NACSs’ level related to the civil service reform, will become responsible for the technical implementation of the activities identified under the components listed in this sector program fiche (Project 1 - Task 1,2,3).

The PIU established at the INAs’ level related to the civil service reform, will become responsible for the technical implementation of the activities identified under the components listed in this sector program fiche (Project 1 - Task 4,6,7).

The PIU established at the GSGs’ level related to the civil service reform, will become responsible for the technical implementation of the activities identified under the components listed in this sector program fiche (Project 3 - Task 1, 2, 3, 4).

The persons appointed as Senior Programme Officers (SPO) who will also chair the Steering Committees will represent them. The SPO’s are in charge with the technical implementation of the projects in accordance with Phare rules, regulations and procedures. Programme Implementation Units (PIU) are established to assist the PO’s in the technical implementation in accordance with Phare rules, regulations and procedures. The Programme Implementation Units will provide technical support and expertise for the implementation of the technical assistance projects.

The Central Finance and Contracts Unit (CFCU) will be responsible for the tendering, contracting, administration, accounting, payments and financial reporting for the technical assistance projects, acting as Implementing Agency.

<table>
<thead>
<tr>
<th>Projects 1</th>
<th>Project 2</th>
<th>Project 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact details for the IA: Ministry of Administration and Interior, National Agency for Civil Servants Attn Doru Vasilescu, General Director Str. Smardan, 3, Et. 3, Sect. 3, Bucharest, Romania Tel: +40.21.315.04.84/108</td>
<td>Contact details for the IA: Ministry of Administration and Interior, Department for Public Administration Reform - Central Unit for Public Administration Reform Attn Marius Profiroiu, Secretary of State Mihai Voda str., no. 6-8, Bucharest, Romania</td>
<td>Contact details for the IA: General Secretariat of the Government, Attn Ion Moraru, Secretary of State Piata Victoriei no. 1 Bucharest, Romania Tel: +40.21.223.29.98 Fax: +40.21.222.54.08</td>
</tr>
</tbody>
</table>

37
### Contact details for the IA:
Ministry of Administration and Interior,
National Institute of Administration
Attn Pavel Nastase, General Director - Secretary of State
5th, Str. Eforie, Sect. 5,
Bucharest, Romania
Tel/Fax: +40.21.314.50.56

### Contact details for the IA:
Ministry of Administration and Interior,
Department for Public Administration Reform - Central Unit for Public Administration Reform
Attn Marius Profiroiu, Secretary of State
Mihai Voda str., no. 6-8,
Bucharest, Romania
Tel: +40.21.222.83.35
Fax: +40.21.260.00.78

**Contracting Party:**
Central Finance and Contracts Unit (CFCU)
Attn Jeana Buzduga
Director, CFCU
Ministry of Finance
6/8 Magheru Street
Sector I, Bucharest, Romania
Tel: (401).310.3772, 313.6628, 313.6630
Fax: (401).315.3536, 3124208
*e-mail: cfcu@ansit.ro*

### 6.3 Implementation Schedule

Start of project activity
Under the assumption that the Financial Memorandum is signed until November 2004 the ToR’s for the contracts will be ready in January 2005, the implementation of the projects with their components is expected to start in September 2005.

The completion for these projects is foreseen:

<table>
<thead>
<tr>
<th>Project 1</th>
<th>Project 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1: August 2007</td>
<td>Task 1: July 2007</td>
</tr>
<tr>
<td>Task 2: August 2007</td>
<td>Task 2: September 2007</td>
</tr>
<tr>
<td>Task 3: August 2008</td>
<td>Task 3: July 2008</td>
</tr>
<tr>
<td>Task 4: August 2008</td>
<td></td>
</tr>
<tr>
<td>Task 5: August 2008</td>
<td></td>
</tr>
<tr>
<td>Task 6: August 2008</td>
<td></td>
</tr>
<tr>
<td>Task 7: August 2008</td>
<td></td>
</tr>
</tbody>
</table>

6.4 Monitoring and indicators of achievement

MONITORING PLAN OF PERFORMANCES (MPP)

The concept of Monitoring Plan of Performance (MPP) represents one of the most important aspects of the public policy reform process, here being included also the decentralization policies and the management of civil service (see Annex 5). This is based on two important directions: administrative efficiency and the capacity to elaborate and implement consistent and coherent policy in public administration field.

Following the public debated that took place within the National Forum on decentralization in the case of introduction and usage of a certain monitoring system for the process performance. Thus:

- The need for a dual monitoring system for the reform process, an internal one (ensured by the public administration institutions) and an external one (implying civil society, local government associations, and other direct and indirect beneficiaries) that could ensure transparency, neutrality and independence of the process;
- The internal monitoring ensured by CUPAR and by the monitoring groups of the public administration reform at the ministries and counties levels, NACS and UPP;
- The external monitoring must be ensured by the independent bodies.
Monitoring and indicators

The Ministry of European Integration monitors Phare projects by means of the Sector Monitoring Committees and Joint Monitoring Committees. The Sector Monitoring Committee meetings are held twice a year and deal with presentation of progress achieved by projects under monitoring for a period of 6 months. Minutes are drawn at the end of the meetings, including general and specific recommendations to be taken into account and be presented in the next Sector Monitoring Committee meetings and/or in the Joint Monitoring Committee meeting. The JMS mainly discusses recommendations of horizontal aspects that need to be implemented for adequate implementation of the monitored projects. The meetings are attended by representatives of the Implementing Authority, CFCU-Ministry of Finance, and EC Delegation in Romania.

INDICATORS

Indicators are broken down to three levels – the programme, priority and “sub-project” (tasks which belong together) levels. More detailed indicators are provided in the priority (project) fiches.

The overall indicators for the programme are:
- Country economic, fiscal, social and environmental indicators;
- Benchmarked improvement in primary public services

For Priority 1 – Civil service reform through creation of a professional body of civil servants, stable and politically neutral
Overall indicators for Priority 1:

1a. Appointments of civil servants under new legislation
1b. Index of salary levels for civil servants
1c. Stage of implementation of HR Reform
1d. Satisfaction index of civil servants

For Priority 2 – Local public administration reform through the continuation of the decentralization/deconcentration process;
Overall indicators for Priority 2

2a. Increase in the part of own revenues out of local revenues
2b. Increase in the satisfaction of citizens regarding local public services delivery
2c. Number of local government modernization grants awarded
ANNEXES TO PROGRAMME FICHE

1. Sector Programme Monitoring Sheet
2. Detailed implementation Chart
3. Contracting and Disbursement Schedule
4. Logical framework for 2004 projects
5. Legislative Framework and reference list of laws, regulations and strategic plans