SECTOR PROGRAMME FICHE

PHARE 2006

for

PUBLIC ADMINISTRATION REFORM

PHARE 2006/018-147.01.03
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1. Basic Information

1.1. CRIS Number:

PHARE 2006/018-147.01.03

1.2. Title:

Support to Public Administration Reform in Romania

1.3. Sector:

Sector Public Administration

1.4. Location:

Romania

1.5. Duration:

24 months

2004-2006 Multi annual programming exercise/ year 2006/phase 3

2. Objectives

The overall objectives are set out below. These have not changed since the 2004 Sector Fiche.

The general goal of public administration reform in Romania

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

2.1. Overall objective of the Sector programme

The overall sector objective is to contribute to the general PAR goal by implementing public administrative reform in the areas of civil service reform, decentralization and de-concentration of public services, and the policy formulation process.

2.2. Programme Purpose

The sector programme has three priorities:
• civil service reform by developing a professional body of civil servants;
• local public administration reform through the continuation of the decentralization/de-concentration process;
• central government 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 de-concentration and the development of a new policy making process.

Regarding the third priority, significant progress was made through the adoption of Government Decision on standard procedures for policy-making, alongside with the set up of Public Policy Units in each line ministry starting with 1st of January 2006. This process was sustained by World Bank’s PAL 2 Programme PPIBL financed technical assistance.

The PHARE RO 2003/005-551.03.03, RO 2003 PHARE OT 10 “Strengthening the Romanian Government capacity for policy management and coordination and for decision making” will contribute to the development of decision-making and policy management by the Government of Romania, leading to more predictable and better-coordinated policies, stronger links between policy priorities and the budget, stronger regulation and the rule of law and reinforced policy development, coordination, implementation and monitoring.

Project Purpose for Priority 1

To make significant progress in the area of Civil Service Reform through:

- **Project 1.4.** Developing a corps of professional civil servants and the competences necessary for supporting Romania’s public administration as a Member State of the EU
- **Project 1.5** Adapting The Young Professionals Scheme to civil service reform and implemented accordingly
- **Project 1.6** Further INA and RTCs supporting in addressing the challenges raised by the accession process

Project Purpose for Priority 2

Strengthening local public administration capacity to manage the decentralized services

Project Purpose for Priority 3

Improving the coordination, policy formulation and strategic planning system at central level.

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

<table>
<thead>
<tr>
<th>Priority</th>
<th>Short title</th>
<th>Summary of expected impact, when achieving them</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td></td>
<td>Implementation of a unitary pay system for the civil servants in order to ensure the decrease of the staff turnover, as well a better motivation and an improved capacity for retaining and promoting the staff. Enhanced institutional capacity of main stakeholders involved in the implementation of PAR. Improved informational systems for a more accurate management of the public positions and civil servants. Increased HR management capacities. Civil service transparency and accountability enhanced.</td>
<td><strong>2.</strong> Support for the decentralisation/de-concentration process in the Romanian public administration</td>
</tr>
<tr>
<td></td>
<td><strong>3.</strong> Improvement of the central government reform policy formulation process</td>
<td>Coordinated systems for policy formulation process Strengthened capacity for the management of governmental structures concerning the policy formulation process</td>
</tr>
</tbody>
</table>

### 2.3. The priorities addressed by the Accession Partnership (AP) and The National Plan for Adoption of the Acquis (NPAA)

i) Develop the policy framework set by the 1999 law on Civil servants by introducing and implementing necessary secondary legislation.

ii) Devise mechanisms to ensure the accountability of civil servants and their independence from undue influences.

iii) Improve provisions for both initial and in service training.

iv) Develop a career structure based on transparent promotion and assessment

**Measures for implementation**

**a) ongoing**

The government has placed a considerable emphasis on administrative reform. A strategy has been adopted and an inter-ministerial committee announced to oversee the implementation of the strategy. However, implementation of the reform process remains at an early stage and
this should be the focus of subsequent activities. This being said, specific measures that are worth noting are:

i) Much of the necessary secondary legislation has been adopted although a certain amount of revision is required (this revision process has been launched). Setting up structure to implement legislation is an issue that still needs to be addressed.

iv) The National Agency for Civil Servants is developing a project to revise the existing system for promotion and assessment (with EU support).

b) planned

iii) A National Institute for Administration (primarily a training body for Civil Servants) was established during 2002. The main planned actions for NIA strengthening are:

- In the domain of the acceleration of the public administration reform: creating a corps of senior civil servants and the legal statute applicable to them
- Creating a Corp of professional public managers, within the Civil services.
- Designing and implementing the following mechanisms:
  - A scheme for recruiting and promotion of civil servants;
  - The salary system for civil servants, in order to improve the professional performances of the civil servants;
  - Implementing the system for the evaluation of civil servants performances
  - A mechanism for human resources planning in the civil service.
  - Developing a Civil Service Ethic Code

2.4. Contribution to National Development Plan/ Structural Funds Plans

All projects in this Sector Fiche have links to the two priority axes in the Operational Programme for Administrative Capacity Development (OP ACD).

2.5. Cross Border Impact

Not Applicable.

3. Description

3.1. Background and justification:

Note: This section should be read in conjunction with the equivalent sections in the 2004 and 2005 Sector Programme fiches.

Link to Government Sector Strategy

There has been a clear and direct link between the projects outlined in the Sector Programme fiche and the Government’s PAR strategy going back to 2001. Chapter 11 of the current government programme sets out the direction proposed for Public Administration Reform. The Government’s objectives for Public Administration Reform are:
• Reform of basic public services and of the public utilities of local interest
• Consolidation of the process of fiscal and administrative decentralization;
• Strengthening the institutional capacity of the structures within local and central public administration;

Regarding the strengthening of public policy and coordination process, two important normative acts were adopted. The project regarding the standard public policy formulation procedures was finalized and, on 14 July 2005 was approved by GD no. 775/2005. The G.D. includes procedures for the elaboration, implementation and evaluation of policies at central level. At the same time a reform of the inter-ministerial bodies has been initiated through the G.D. no. 750/2005. According to this normative act, 11 permanent inter-ministerial bodies have been established on the following topics: justice and home affairs, European and foreign affairs, European integration, economy, market, competitiveness and business environment, administration and public function as well as local communities, social affairs and health, education, culture, sports and minorities, agriculture and rural development, regional development, infrastructure and tourism, the inter-ministerial council for crises and the one for strategic planning.

The stage of the implementation of the Updated Strategy concerning the acceleration of the public administration reform in Romania was evaluated and approved according to the Memorandum No.8092/25th from April 2005.

The PAR strategy makes a contribution to horizontal public administrative and judicial capacity (PAJC) in support of preparations for accession. In particular, the completion of the civil service reforms is an important contribution to addressing the political criteria for accession. The decentralization/de-concentration reforms contribute to strengthening capacity for the general absorption of structural funds. The policy formulation process reforms are important institution building activities to support public administration in a post-accession context.

The targeted number of beneficiaries from the decentralization projects is 60 and the number of trainees on INA programmes is 100.

There were consultations with different NGO’s (Pro-Democratia, Transparency International, Academic Romanian Society) on the opportunity of continuing the Young Professionals Scheme, during the meeting of legislative framework approval process and also within the Public Managers Commission.

As concerning the decentralization projects, NPO’s were consulted (Communes Association, The Romanian Local Authorities Federation) as well as the specialists in public services field within the Ministry of Administration and Interior.

3.2. Sectoral rationale

Gaps identified on the three main domains of the reform:

Although concrete actions were taken between 2001 and 2004 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 deficiencies set out in the gap analysis tables set out on the following pages. As the 2004 and 2005 projects have not been completed the full gap analysis is shown.
The projects take account of recommendations in the Regular Country Monitoring Report issued by European Commission on October 2005 and seek to deliver outputs and results that address the specific issues raised. The sequencing of project programming within the Sector is unchanged to the one set in 2004, although some delays in contracting have arisen due to unforeseen difficulties in running tenders.

The “Development strategy of the National Institute of Administration” marks an important step in institutional strengthening. In this respect NIA’s priorities for 2006 – 2009 lie in the field of evolution as a client-oriented continuous training institute; self-assertion on the continuous training market through the quality of the programmes and services provided and, the improvement of NIA’s public image and visibility.

3.2.1. Identification of projects

<table>
<thead>
<tr>
<th>Project no.</th>
<th>Title</th>
<th>Means required to implement</th>
<th>Relates to priority nr</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>Develop a corps of professional civil servants and the competences necessary for supporting Romania’s public administration as a Member State of the EU</td>
<td>TA</td>
<td>1</td>
</tr>
<tr>
<td>5.</td>
<td>Adapting the Young Professional Scheme to the needs of the Civil Service Reform</td>
<td>TA</td>
<td>1</td>
</tr>
<tr>
<td>6.</td>
<td>Further NIA and RTCs support in addressing the challenges raised by the accession process</td>
<td>TA</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project no.</th>
<th>Title</th>
<th>Means required to implement</th>
<th>Relates to priority nr</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.</td>
<td>Strengthening local public administration capacity to manage the decentralized services</td>
<td>GS</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project no.</th>
<th>Title</th>
<th>Means required to implement</th>
<th>Relates to priority nr</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Developing the public policy formulation process as core priorities of the Government by:</td>
<td>TA</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>I. disseminating best practices and revising methodologies and procedures according to the assessment results (by end year 2007)</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>II. increasing impact assessment capacities at the line ministries and setting up the methodological tools and guidelines in order to better substantiate public policies (together with line ministries)</td>
<td></td>
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<tr>
<td></td>
<td>III. strengthening the strategic planning capacities and elaborating performance indicators in 3 pilot ministries based on</td>
<td></td>
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</tr>
</tbody>
</table>
2. Increasing the effectiveness of the documents flow between GSG and line ministries by contracting technical assistance for designing and implementing a “e-portfolio” - a specialized IT application for managing documents submitted in the Government meeting and Preparatory meetings)

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>2.</td>
<td>Increasing the effectiveness of the documents flow between GSG and line ministries by contracting technical assistance for designing and implementing a “e-portfolio” - a specialized IT application for managing documents submitted in the Government meeting and Preparatory meetings)</td>
</tr>
<tr>
<td>TA</td>
<td>3</td>
</tr>
</tbody>
</table>

3.2.2. Sequencing

The full sequencing of 2004-2006 projects based on the Gap Analysis is set out in the following table, against a checklist of project outputs.
<table>
<thead>
<tr>
<th>Gap</th>
<th>Action</th>
<th>Programming (Project Reference)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Human Resources expansion/enhancement</strong></td>
<td>Improving HR management instruments within the public sector and integrating them into a unitary management system;</td>
<td>Project 1.2 (NACS) Project 1.5 (CUPAR)</td>
</tr>
<tr>
<td>Lack of sustainability in managing and implementing the civil service reform;</td>
<td>Development and implementation of a national testing system, which will be used for the selection and the promotion within the civil service;</td>
<td>Project 1.5 (CUPAR)</td>
</tr>
<tr>
<td>Current recruitment and promotion systems within the civil service are not in line with the civil service reform objectives</td>
<td>Reviewing the systems for selection, performance assessment and promotion by merit and proposing and implementing improvement recommendations</td>
<td>Project 1.1 (NACS) Project 1.5 (CUPAR) Project 1.5 (CUPAR)</td>
</tr>
<tr>
<td>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;</td>
<td>Establishing a national network including all providers of training in public administration;</td>
<td>Project 1.6 (NIA) Project 1.5 (CUPAR)</td>
</tr>
<tr>
<td>Low capacity of the middle and high civil servants in the Romanian administration</td>
<td>Creating a corps of professional public managers</td>
<td>Project 1.4 (NIA) Project 1.5 (CUPAR) Project 1.5 (CUPAR)</td>
</tr>
<tr>
<td>The lack of a structured network of trainers in the field of public administration;</td>
<td>Creation of a pool of thematic teams of trainers at RTCs and NIA</td>
<td>Project 1.6 NIA Project 1.6 NIA Project 1.6 NIA</td>
</tr>
</tbody>
</table>

1 See annex 6 below.
There is a need for a clearer and visible mechanism of coordination between the activities of NIA and the 8 Regional Centers respectively. The mechanism should first and foremost address the attribution of responsibilities with regard to the quality standards in training.

An assessment of the existing Romanian training institutions, nominates the National Institute of Administration as having the highest potential in successfully implementing the training programs on Structural Funds with the recommendation of further support in institutional strengthening.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Solution</th>
<th>Project 1.4 (NIA)</th>
<th>Project 1.5 (CUPAR)</th>
<th>Project 1.6 (NIA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not enough funds for participation of the civil servants in training programs;</td>
<td>* not depending on Phare assistance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unclear assignment of responsibilities of HR departments within institutions of the public administration in terms of ongoing training of own personnel;</td>
<td>* not depending on Phare assistance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No correlation between the training of civil servants and their career development;</td>
<td>Creation of an integrated system of training</td>
<td>Project 1.4 (NIA)</td>
<td>Project 1.6 (NIA)</td>
<td>Project 1.6 (NIA)</td>
</tr>
</tbody>
</table>

2 The ECOTEC “Interim Evaluation of the European Union pre-accession instrument PHARE” from 30th of January 2006

3 The evaluation of the EU funded project “Training on project design and preparation, monitoring and assessment, and project Cycle Management” RO 2002/000-586.03.01.03
<table>
<thead>
<tr>
<th>Organizational and operational differences between ongoing training providers;</th>
<th>All providers of training in public administration</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Low HR capacity of NIA and RTCs</td>
<td>Training programmes for NIA’s and RTCs’ staff in accordance with the needs identified Train of trainers programmes</td>
<td>Project 1.6 (NIA)</td>
</tr>
<tr>
<td>Procedural &amp; system development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poor logistical support of NIA and RTCs</td>
<td>Improving the logistical support of NIA and RTCs</td>
<td>Project 1.6 (NIA)</td>
</tr>
<tr>
<td>Regulatory and enforcement activity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficult integration of the Public Managers within the administrative system</td>
<td>Adaptation of YPS to the further needs of civil service reform, securing due integration of the YPS graduates.4</td>
<td>Prot 1.5 (CUPAR)</td>
</tr>
<tr>
<td>Lack of unitary standards regarding recruitment and promotion within the civil service;</td>
<td>Reviewing the systems for selection, performance assessment and promotion by merit and proposing and implementing improvement recommendations</td>
<td>Project 1.1 (NACS)</td>
</tr>
</tbody>
</table>

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4 This action will be supported by the development of the legal and institutional mechanisms for an efficient absorption of the Public Managers in the Public Administration system through Phare 2003
### For Decentralization/ De-concentration process:

<table>
<thead>
<tr>
<th>Gap</th>
<th>Action</th>
<th>Programming (Project Reference)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Legislation (primary and secondary)</strong></td>
<td>Lack of political consensus on goals of decentralization resulted in an inconsistent implementation process; Primary and secondary legislation as well as mechanisms and procedures to sustain the implementation of the decentralization process; An inter-ministerial technical committee in charge with the coordination and monitoring of the decentralisation / de-concentration process;</td>
<td>Project 2.1 CUPAR</td>
</tr>
<tr>
<td><strong>Regulatory and enforcement activity</strong></td>
<td>The process of decentralization and de-concentration 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; Sectoral groups in charge with elaboration of the sectoral strategies and impact analysis related to the decentralization in certain domains;</td>
<td>Project 2.1 CUPAR</td>
</tr>
<tr>
<td></td>
<td>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; Addressing the lack of predictability and clarity in allocating inter-governmental transfers limits local planning and efficient use of resources; Professionalisation of the Prefect function</td>
<td>Project 2.1 &amp; 2.2. (CUPAR) Project 2.3.3 (CUPAR) Project 2.3 (CUPAR)</td>
</tr>
<tr>
<td>Transfer of competencies was not accompanied by the transfer of adequate financial resources and decision making rights to the local level;</td>
<td>Adjusting the equalization mechanisms to ensure just distribution and equity among local authorities from different counties</td>
<td>Project 2.3.1 (CUPAR)</td>
</tr>
<tr>
<td>Limited capacity to generate own source revenues for local governments limits financial autonomy;</td>
<td>Adjusting the equalization mechanisms to ensure just distribution and equity among local authorities from different counties</td>
<td>Project 2.3.3 (CUPAR)</td>
</tr>
<tr>
<td>Human Resources expansion/enhancement</td>
<td>The earlier practice of responsibility allocations without sufficient preparation and training created limitation in local capacity to efficiently organize the service delivery.</td>
<td>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)</td>
</tr>
</tbody>
</table>
For policy formulation process:

<table>
<thead>
<tr>
<th>Gap</th>
<th>Action</th>
<th>Programming (Project Reference)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2005</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2006</td>
</tr>
<tr>
<td><strong>Regulatory and enforcement activity</strong></td>
<td>The set up of a standard system regarding the design of public policies through the adoption of Government Decision 775 on standard procedures for policy-making, alongside with the set up of Public Policy Units in each line ministry starting with 1st of January 2006(^5)</td>
<td></td>
</tr>
<tr>
<td>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;</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Procedural &amp; systems development</strong></td>
<td>This issue is not relevant for PHARE assistance being foreseen to be addressed by the improvement of the internal</td>
<td></td>
</tr>
<tr>
<td>A limited degree of efficiency for the developing/ organization of government meetings;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^5\) World Bank’s PAL 2 Programme PPIBL financed technical assistance
organization of the Government.

| Limited capacity of the General Secretary of the Government to achieve a political coordination and a qualitative monitoring of the process of government policy implementation; | Strengthening the institutional capacity at the central level (General Secretariat of the Government and Prime-Minister Chancellery) regarding the instruments for formulation, monitoring and evaluation of the public policies (cost-benefit analysis, impact analysis) | TW6 |
| PHARE 2006 TA (PPU) |

| 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); | Impact analysis related to the public policy implementation process; Contracting an individual consultant regarding strategic planning activities and linking national policy to the budget (Public Expenditure Management).7. | TW6 |
| PHARE 2006 TA(PPU) |

| Lack of transparency within the process of public policies formulation and implementation; | Testing the effects of public policies within a pilot phase; | TW6 |
| PHARE TA(PPU) 2006 |

| **Human Resources expansion/enhancement** | **For Policy development, a primary responsibility of the Government, a** | Training on approaches and procedures regarding the measurement of the public |
| **For Policy development, a primary responsibility of the Government, a** | **Training on approaches and procedures regarding the measurement of the public** | TW6 |
| **PHARE TA(PPU) 2006** |

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6 PHARE RO 2003/005-551.03.03, RO 2003 PHARE OT 10 “Strengthening the Romanian Government capacity for policy management and coordNIAtion and for decision making”

7 The GSG has submitted an official request to Ministry of Public Finance - PAL Management Unit - PPIBL for a technical assistance under the Dutch Grant
| 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 | policies effects; Specialized training for the key actors involved within the policy formulation process. Training sessions with more than 100 representatives of line ministries on the new public policy procedures during June and July 2005\(^8\) |

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Note: Extensive reforming process of the existing inter-ministerial bodies, following mainly the inter-ministerial communication and coordination efficiency. The inter-ministerial structures organization reform presumes adopting a new system to act according to the principle: an inter-ministerial body for a major domain and more problems afferent to this body\(^9\).

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\(^8\) The training sessions were organized by Public Policy Unit with the support of World Bank

\(^9\) This reform was put in place by Government Decision no.350 /2004
3.3. Results

3.3.1. Priority 1: Support the civil service reform

3.3.1.1. Purpose

To make significant progress in the area of Civil Service Reform

3.3.1.2. Results

Task 1.4
Develop a corps of professional civil servants and the competences necessary for supporting Romania’s public administration as a Member State of the EU

Task 1.5.
1.5.1. INA strengthened for training the YPS participants and in-service training for public managers
1.5.2. NACS strengthened for managing the career development of the public managers and the testing system for organising the open national competition
1.5.3. CPM strengthened for assuming the monitoring role within the open national competition process and the monitoring role of the evaluation process of public managers
1.5.4. Monitoring system for analysing the impact of the public managers on the public administration elaborated and implemented
1.5.5. Planning, control and monitoring systems and procedures to enable CUPAR to manage the YPS scheme and the Public Managers are further developed
1.5.6. YPS third cycle is adapted to the current needs of the civil service reform and implemented accordingly
1.5.7. A set of tests and procedures for open national competition elaborated and implemented
1.5.8. An analysis regarding the public administration needs for public managers positions completed

Task 1.6.
Further INA and RTCs support in addressing the challenges raised by the accession process
- INA supported in facing the challenges raised by Romania’s new European statute
- Coordination mechanism between INA and RTC’s operational
- The functionality of the in-service training partners network assured
- RTCs’ further supported in implementing in service training strategy
3.3.2. **Priority 2: Support for the decentralization / de-concentration process in the Romanian Public Administration**

3.3.2.1 **Purpose**
To make significant progress in the area of decentralization and de-concentration process

3.3.2.2 **Results Project 2.3**
The Grant Scheme for The Local Government Development and Modernisation Fund is implemented.

The scheme will permit the financing of projects in key areas for the modernisation of local public administration: public management, human resources, communication, partnerships and participatory processes with citizens.

Means: **Grant Scheme**

3.3.3. **Priority 3: Supporting the public administration reform through the improvement of the public policy formulation process**

3.3.3.1 **Purpose**
Improving the coordination, policy formulation and strategic planning system at central level

3.3.3.1.2 **Results**
A better coordinated and substantiated policy formulation and strategic planning system at central level.

**Results Project 3.1**
- Diagnose report
- Best practices brochures disseminated to line ministries
- Trained staff on impact assessment- 60 civil servants from PPU in GSG and line ministries and 30 high civil servants in line ministries
- Handbook on economic assessment
- Handbook on social assessment
- Handbook for strategic planning methodology
- 3 set of performance indicators for each pilot ministry
- Guidelines developed to support the line ministries in designing performance indicators
- Trained staff on strategic planning and performance indicators- 60 civil servants from PPU in GSG and line ministries and 30 high civil servants in line ministries

**Results Project 3.2**
- A more effective communication network through developing “e-portfolio”- a specialized IT application managing documents submitted in the Government meetings and Preparatory meetings

Means: **Technical Assistance Contract**
3.4. Activities

Priority 1

Task 1.4.

1.4. Develop a corps of professional civil servants and the competences necessary for supporting Romania’s public administration as a Member State of the EU through:

1.4.1. Supporting INA in delivering specialized programmes

- Prepare INA’s training managers in order to ensure the sustainability of the specialized programme for senior civil servants
- Assisting INA’s specialized training department in completing the selection of the candidates for specialized programmes
- Supporting INA in delivering the training modules of the specialized programmes where there is a lack of national expertise
- Organising and financing internships in EU Member States Public Administrations for a certain percentage of the specialized programmes’ participants
- Supporting INA’s specialized training department in using and implementing e-learning methods in delivering training modules

1.4.2. Adapting INA’s short term courses to the requirements imposed by the membership to the EU

- Reviewing the training needs analysis (identifying new topics where there is a lack of national expertise)
- Reviewing the key training areas for the short term courses
- Selection of external trainers who are to be trained in the new topics
- Delivering the ToT
- Assisting INA’s training managers involved in short term courses in implementing these courses
- Organizing a pilot programme which will target experience exchange between Romanian civil servants and foreign countries public sector personnel in an identified area of expertise

Task 1.5

1.5.1 Strengthening the capacity of the institutions involved in the management of Public Managers career (INA, NACS, CUPAR and Commission for Public Managers - CPM)

a. Training for the staff of the involved institutions in YPS development
b. Developing training curricula for YPS participants
c. Developing in-training service curricula for Public Managers
d. Training delivery to the members of the CPM
1.5.2 Elaborating and implementing a monitoring system for analysing the impact of the public managers on the public administration system on the basis of a performance indicators system
   a. Elaborating Performance Indicators system
   b. Elaborating and performing a monitoring procedure

1.5.3. Further developing the YPS (selection, training, evaluation and internships)
   a. Selection process organized for YPS candidates
   b. Training delivery to YPS participants to INA
   c. EU internships organized and financed
   d. Evaluation the YPS participants
   e. Conducting an analysis of the needs for Public Managers positions

1.5.4. Elaborating and implementing a testing system for organising the open national competition in order to access to the public managers positions
   a. Elaborating & implementing a set of national tests
   b. Organizing the national competition

**Task 1.6.**

1.6. Further INA and RTCs support in addressing the challenges raised by the accession process through:

1.6.1. Further INA’s support in facing the challenges raised by the new European statute
  Preparing INA’s personnel for the new challenges raised by the new European statute
  Supporting INA in updating the training strategy to the new requirements
  Assisting INA in revising the organizational strategy
  Supporting INA’s personnel in charge with managing and operating the languages labs
  Additional guidance in promoting INA’s image (marketing, PR activities, newsletter
  Support in developing NIA’s a research and consultancy activities
  Support for the Institute in the transition to Structural Funds
  Further support in developing e-learning training manuals

1.6.2. Sustaining the coordination mechanism between INA and RTC’s
  Developing INA – antennas – RTCs – NACS network
  Organizing different seminars/conferences in a joint collaboration with RTCs

1.6.3. Further support in assuring the functionality of the in-service training partners network
  Support in designing a SWOT analysis of the in-service training partners network
  Proposals for improving the in-service training partners’ network

1.6.4. Further RTCs’ support in implementing in service training strategy
  Reviewing the training needs analysis (identifying new topics at the local administration level where there is a lack of national expertise)
  Preparing RTC’s personnel for the new challenges raised by the new European statute
  Train of trainers programmes in the topics identified
Supporting RTCs in developing their organizational strategy (including annual action plans and budgeting)

**Priority 2**

**Project 2.3**

The grant scheme is dedicated to local administration authorities that can conclude partnerships with NGOs and other local authorities (county or local).

The guidelines for applicants will be set up by CUPAR and will be available on the Ministry’s web-site.

The promotion campaign will be held by CUPAR in each county with the support of the Prefecture’s offices in order to stir up good quality projects. (from CUPAR’s experience all documents of the scheme will be translated in Romanian for a better understanding of the rules involved)

The selection of good projects will be in accordance with the criteria and grid from the guidelines for applicants approved by the Contracting Authority.

Eligible activities under the grant contracts:

- projects to sustain the development of partnership at local level, with a purpose of a more efficient application for the structural funds;
- projects to sustain the specialised personnel training to be prepared for the decentralized process of local governing, for a better management of the decentralised public services and for a more efficient management of the future structural funds;
- projects to ensure the endowment with IT equipment as well as other components, equipments, instruments for ensuring a more efficient activity in the local governing and in the public services at local level;
- projects to sustain the elaboration of studies, research, strategies for local development;
- projects to support the dissemination of information concerning the local governing and improvement of public services at local level;

Maximum amount of one grant will be 110.000 Euro

**Priority 3, Project 1-**

- Diagnose report
- Best practices brochures disseminated to line ministries
- Trained staff on impact assessment- 60 civil servants from PPU in GSG and line ministries and 30 high civil servants in line ministries
- Handbook on economic assessment

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**2006 programming exercise Romania**
• Handbook on social assessment
• Handbook for strategic planning methodology
• 3 set of performance indicators for each pilot ministry
• Guidelines developed to support the line ministries in designing performance indicators
• Trained staff on strategic planning and performance indicators- 60 civil servants from PPU’s in GSG and line ministries and 30 high civil servants in line ministries

Priority 3. Project 2

Project 3.1

I.
• Creating a working group for drafting an assessment report regarding the stage of the policy reform and for recommending the necessary adjustments
• Collecting best practices concerning public policy process and elaborating the brochure
• Organizing a seminar for disseminating the best practices

II.
• Developing new responsibilities to be exercised by high civil servants within the new framework;
• Delivering specialized training for senior civil servants regarding the impact assessment
• Workshops and specialized training for PPU’s both at GSG and line ministries
• Elaborating the Handbook on economic assessment
• Elaborating the Handbook on social assessment

III.
• Delivering specialized training for senior civil servants regarding the strategic planning and performance indicators
• Workshops and specialized training for PPU’s both at GSG and line ministries for strategic planning and performance indicators
• Elaborating the Guidelines necessary for line ministries to design the performance indicators
• Elaborating the Handbook necessary for line ministries for strategic planning methodology

Activities Project 3.2

• Developing “e-portfolio”- a specialized IT application managing documents submitted in the Government meeting and Preparatory meetings

3.5. Linked Activities:

Completed Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Linked to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHARE RO-0106.01 Strengthening the institutional capacity</td>
<td>Priority 1 and Priority 2</td>
</tr>
</tbody>
</table>

2006 programming exercise Romania
<table>
<thead>
<tr>
<th>Project</th>
<th>Linked to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHARE RO-0106.02 Develop an operational National Institute of Public Administration capable of educating competent civil servants</td>
<td>Priority 1</td>
</tr>
<tr>
<td>PHARE RO-0106.03 Creating a Corps of Professionals Public Managers within the Civil Service</td>
<td>Priority 1</td>
</tr>
<tr>
<td>PHARE RO-0106.04 Design and implement mechanisms for the full application of the Civil Servants Statute Law</td>
<td>Priority 1</td>
</tr>
<tr>
<td>PHARE Twinning Light - RO 0106.06 - Support to the drafting process of the public administration reform strategy</td>
<td>All Priorities</td>
</tr>
</tbody>
</table>

**Current active Projects**

<table>
<thead>
<tr>
<th>Project</th>
<th>Linked to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHARE RO-2002/000-586.03.02 “Decentralisation and development of the Romanian local public administration</td>
<td>Priority 2</td>
</tr>
<tr>
<td>Phare RO-2003/005-551.03.01 “Support for public administration reform process in Romania</td>
<td>Priority 1</td>
</tr>
<tr>
<td>Project RO/04/IB/OT/01 “Decentralisation and deconcentration</td>
<td>Priority 2</td>
</tr>
<tr>
<td>PHARE RO/04/IB/02 – “Support for decentralization/deconcentration process and its monitoring”</td>
<td>Priority 2</td>
</tr>
<tr>
<td>PHARE RO 2003/005-551.03.03, RO 2003 PHARE OT 10 “Strengthening the Romanian Government capacity for policy management and coordination and for decision making”</td>
<td>Priority 3</td>
</tr>
<tr>
<td>World Bank’s PAL 2 Programme PPIBL</td>
<td>Priority 3</td>
</tr>
</tbody>
</table>

**Other donors**

**Completed Projects**

<table>
<thead>
<tr>
<th>Project</th>
<th>Linked to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>OECD-SIGMA 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;</td>
<td>Priority 1</td>
</tr>
<tr>
<td>The World Bank has actively supported the decentralisation of the administration, through PAL 1 and PAL 2.</td>
<td>Priority 2</td>
</tr>
<tr>
<td>In 2000, a training programme on European affairs and public management for civil servants was started by ENA and</td>
<td>Priority 1</td>
</tr>
</tbody>
</table>

2006 programming exercise Romania
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, (MATRA project) 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).

<table>
<thead>
<tr>
<th>Current active Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project</strong></td>
</tr>
<tr>
<td>“Romania Capacity Building” developed in partnership with the Institute of Public Administration (IPA) – Ireland and financed by the Irish Department of Foreign Affairs (DFA)</td>
</tr>
<tr>
<td>Project A0 11600000 “Adapting the central public administration level to the EU structures” developed in partnership with InWent, Germany and Institute for European Politics, Germany</td>
</tr>
<tr>
<td>Partnership agreement with Bakov, Germany</td>
</tr>
<tr>
<td>World Bank (PAL2)Technical Assistance through PPIPL-Strengthening capacity of the Government for public policy formulation at central level</td>
</tr>
<tr>
<td>The GSG has submitted an official request to Ministry of Public Finance - PAL Management Unit - PPIBL for a technical assistance under the Dutch Grant</td>
</tr>
</tbody>
</table>

**Governmental Actions undertaken in the field:**

<table>
<thead>
<tr>
<th>Action</th>
<th><strong>Linked to:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption of two Emergency Government Ordinances (no.56/2004 and no.6/2005) regarding the special statute of the Civil Servants called Public Managers. Through the Prime-Minister’s Decision no. 461/2005, the Public Managers Commission was set up and entered into force.</td>
<td>Priority 1</td>
</tr>
<tr>
<td>The laws package concerning the public administration reform, comprising of: Law on decentralization of the public administration, Law for the modification and completion of Law 215/2001, Law for the modification and completion of Law 188/1999, Law on local public finances. All package is forwarded to the Parliament for approval.</td>
<td>Priority 1 Priority 2</td>
</tr>
</tbody>
</table>

2006 programming exercise Romania
Adoption of Government Decision on standard procedures for policy-making (entering into force starting with 1st of January 2006); alongside with the set up of Public Policy Units in each line ministry starting with midyear 2005. Priority 3

The project regarding the standard public policy formulation procedures was finalized and, on 14 July 2005 was approved by GD no. 775/2005. The G.D. includes procedures for the elaboration, implementation and evaluation of policies at central level. Priority 3

A reform of the inter-ministerial bodies has been initiated through the G.D. no. 750/2005. According to this normative act, 11 permanent inter-ministerial bodies have been established on the following topics: justice and home affairs, European and foreign affairs, European integration, economy, market, competitiveness and business environment, administration and public function as well as local communities, social affairs and health, education, culture, sports and minorities, agriculture and rural development, regional development, infrastructure and tourism, the inter-ministerial council for crises and the one for strategic planning. Priority 3

3.6. Lessons learned:

In the light of the political criteria laid down by the Copenhagen European Council, the 2001-2005 EU Regular Reports on Romania’s progress toward accession are considering the establishment of the key institutions involved in the reforming the public sector: Central Unit for Public Administration Reform, National Institute of Administration, National Agency for Civil Servants and the General Secretariat of the Government. Moreover, the above reports as well as Phare interim evaluation and monitoring reports (SIGMA) are emphasizing some issues raised during implementation of the projects.

See annex Lessons Learned 2006.

4. Institutional Framework

The Ministry of Administration and Interior (MAI) coordinates and implements the multidirectional Public Administration Reform strategy. There are three institutions, under the aegis of the MAI, involved in the first priority of the strategy – the creation of the professional corps of civil servants:

CUPAR is responsible for the overall co-ordination of the strategy and manages the implementation of the Young Professional Scheme.

NIA is responsible for implementation of the in-service training strategy at both national and local level. The eight Regional Training Centres are separate entities from NIA responsible for meeting the training requirements at local government level for the counties they serve. The NIA and the Regional Training Centres are developing the capacity, qualifications including accreditation, networks and international contacts to promote and support the transformation process of the Romanian public administration in an effective way but have

2006 programming exercise Romania
limited material and human resources, considering the complexity of current reform activities and the training requirements of the reform process.

For Priorities 1 and 2, the Implementing Authority (IA) is the Ministry of Administration and Interior through NIA (Priority 1 –Projects 1 and 3), CUPAR (Priority 1 –Project 5 and Priority 2) and PPU (Priority 3).

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 (Priority 1 – Project 5 and Priority 2).

The PIU established at the NIAs’ 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 NIA (Priority 1 –Projects 4 and 6).

The PIU established within PPU from GSG is responsible for the overall technical co-ordination and proper implementation of the activities identified under the priority 3 components.

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.

5. Detailed Budget

Indicative budget for the budgetary year 2006

<table>
<thead>
<tr>
<th></th>
<th>Phare/Pre-Accession Instrument support</th>
<th>Co-financing</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>€M</td>
<td></td>
<td>National Public Funds (*)</td>
<td>Other Sources (**)</td>
</tr>
<tr>
<td>Year 2006 - Investment support jointly co funded</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2006 programming exercise Romania
2006 programming exercise Romania

### 6. Implementation Arrangements

#### 6.1. Implementing authority

<table>
<thead>
<tr>
<th>Priority 1</th>
<th>Priority 2</th>
<th>Priority 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact details for the IA: Ministry of Administration and Interior, Central Unit for Public Administration Reform</td>
<td>Contact details for the IA: Ministry of Administration and Interior, Department for Public Administration Reform</td>
<td>Contact details for the IA: General Secretariat of the Government, Attn Victor Giosan, Secretary of State Piata Victoriei no. 1</td>
</tr>
</tbody>
</table>

* Co-financing assured from the Romanian Ministry of Administration and Interior + Local co-financing assured by the Grant final beneficiaries. For the above-mentioned investment projects the joint co-financing mechanism will be applied.

**Parallel Co-financing
| Attn Liviu Radu, Secretary of State  
Eforie str., no. 3, Bldg. A  
Sector 5, Bucharest, Romania  
Tel: +40.310.35.61  
Fax: +40.310.35.62 | Central Unit for Public Administration Reform  
Attn Liviu Radu, Secretary of State  
Eforie str., no. 3, Bldg. A  
Sector 5, Bucharest  
Tel: +40.310.35.61  
Fax: +40.310.35.62 | Bucharest, Romania  
Tel: +40.21. 314.92.03  
Fax: +40.21.314.91.43 |

Contact details for the IA: Ministry of Administration and Interior, National Institute of Administration  
Attn Adrian Badila, General Director - Secretary of State  
5th, Str. Eforie, Sect. 5, Bucharest, Romania  
Tel/Fax: +40.21. 314.50.56

**Contracting Party:** Central Finance and Contracts Unit (CFCU)  
Attn Carmen Rosu  
Director, CFCU  
Ministry of Finance  
44, Mircea Voda str.  
Sector 3, Bucharest, Romania  
Tel: (401).326.55.55, 326.02.02  
Fax: (401).326.87.30  
e-mail: carmenrosu@cfcu.ro

6.2. Twinning

N.A.

6.3. Non-standard aspects

N.A.

6.4. Contracts

- **Priority 1**

  **Project 4**  
  **Project 6**  
  1 TA contract for both projects.  
  Implementation period-14 months  
  Value-2,000,000 Euros
Project 5
1 TA contract
Implementation period- 20 months
Value-3,100,000 Euros (EU budget)
Parallel co-financing-400,000 Euros
Implementation Period

- Priority 2

Project 3
60 Grant contracts will be concluded with the final beneficiaries (local authorities)
Implementation period- max. 12 months
Max. value of 1 Grant contract-110,000 Euros

- Priority 3

Project 1
1 TA contract
Value-2,500,000 Euros.
Project 2
1 TA contract
Value-1,500,000 Euros

7. Implementation Schedule

Under the assumption that the Financial Agreement is signed until November 2006 the ToR’s for the contracts will be ready in July 2007, the implementation of the projects with their components is expected to start in October 2007.

Under the same assumption, the guidelines for the grant scheme will be launched earlier, and will run in parallel with the grant scheme under Phare 2005, having the same technical assistance as support. Both schemes have an estimated start in November 2006.

1.1 Start of tendering/call for proposals
December 2006

1.2 Start of project activity
January 2007

7.3 Project completion
January 2009

The completion for each project is foreseen as following:

<table>
<thead>
<tr>
<th>Priority 1</th>
<th>Priority 2</th>
<th>Priority 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project5: Jan 2009</td>
<td></td>
<td>Project2: Jan 2009</td>
</tr>
<tr>
<td>Project6: Jan 2009</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Equal Opportunity

N/A

9. Environment

N/A

10. Rates of return

N/A

11. Investment criteria

N/A

11.1. Catalytic effect

The Romanian Government, as well as, the local authorities have not yet the financial resources to support such investments related to modernisation of Public services, which are subject to this Grant Scheme.

11.2. Co-financing

The co-financing will be joint: the national co-financing (Ministry’s budget)-90% from the total amount, and local co-financing (local authorities)-10% from the total amount compulsory through the Applicant Guide.

11.3. Additionality

No other financing sources are in use for local authorities to support a similar intervention .(e.g Grant Scheme)

11.4. Project readiness and size
As the local authorities already applied to two successful previous Grant Schemes, they declared that they are keen and ready to apply for a new one and they developed the necessary experience for managing such contracts and they have already foreseen the financial resources for co-financing these contracts.

The maximum size of the Grants is 110,000 Euros.

11.5. Sustainability

The investment consisting in grant scheme address to local authorities which will not affect under no means environment. All the projects have to be sustainable to be financed under this scheme. This is one of the requirements for the projects developed under the Grant Scheme.

11.6. Compliance with state aids provisions

We confirm that the investment under the present project will full observe the state aid provisions

12. Conditionality and sequencing

Project 1.5. The institutional and legal framework is put in place before the start of the project in order to assure an efficient integration of the Public Managers within the Public administration system. An impact independent evaluation regarding this project will be developed.

ANNEXES TO PROJECT FICHE

1. Logframe in standard format for each project; sector monitoring sheet for sector programmes
2. Detailed implementation chart
3. Contracting and disbursement schedule, by quarter, for full duration of project (including disbursement period)
4. For all projects: reference list of feasibility/pre-feasibility studies, indepth ex ante evaluations or other forms of preparatory work.
5. Reference list of relevant laws and regulations
6. Reference list of relevant strategic plans and studies
7. Lessons learnt