EUROPEAN STRUCTURAL AND INVESTMENT FUNDS

ROMANIA
With a budget of EUR 454 billion for 2014-2020, the European Structural and Investment Funds (ESI Funds) are the European Union’s main investment policy tool. The ESI Funds combine five Funds: European Regional Development Fund (ERDF); European Social Fund (ESF); Cohesion Fund (CF); European Agricultural Fund for Rural Development (EAFRD); and the European Maritime and Fisheries Fund (EMFF). Romania, together with 19 other Member States, will also benefit from the Youth Employment Initiative (YEI).

Through eight national and regional programmes, Romania has been allocated EUR 30.84 billion from ESI Funds over the period 2014-2020. With a national contribution of EUR 5.63 billion, Romania has a total budget of EUR 36.47 billion to be invested in various areas, from creating jobs and growth to promoting innovation as well as protecting the environment and supporting social inclusion.

ESI FUNDS BUDGET FOR ROMANIA (2014-2020)

- EUR 10.73 billion through the ERDF
- EUR 6.93 billion through the CF
- EUR 8.13 billion through the EAFRD
- EUR 4.77 billion through the ESF
- EUR 168 million through the EMFF
- EUR 106 million through the YEI

1 Data included in this factsheet have been extracted from the ESIF Open Data platform which is accessible online at https://coesiondata.ec.europa.eu. Data on target achievements are based on officially agreed common indicators or, for the ESF, programme specific indicators (reference date for data: November 2015).
MAIN PRIORITIES

ESI FUNDS IN ROMANIA WILL:

- Improve the country’s competitiveness by strengthening the links between research, innovation, smart specialisation areas and competitive sectors, and boosting technology transfer.
- Help to double added value in the IT sector (relative to GDP) and increase the number of users of e-government systems.
- Support SMEs, farms and cooperatives, and fishery and aquaculture holdings thereby contributing to modernisation, higher productivity and survival rates, and agricultural restructuring.
- Invest in energy, climate change and resource efficiency, with a focus on environmental conservation and protection.
- Invest in TEN-T networks and transport accessibility, upgrading kilometres of railways, new roads, and new metro lines and shortening average travel times.
- Increase labour-market participation to boost the employment rate, targeting young people not in employment, education or training, and other vulnerable groups.
- Promote social inclusion and combat poverty and discrimination, helping disadvantaged people (including Roma) to access the labour market and improve their health and social status.
- Reduce early school leaving and increase participation in tertiary education.
- Enhance the institutional capacity of public authorities supporting the reform of public administration and the effectiveness of the justice system.

TARGETS

All funds are designed to support Romania’s socio-economic development. The expected results (targets) give an overall view of where Romania should be on key parameters by 2020.

- **TOURISM**: 45,000 more visits per year
- **SOCIAL INCLUSION**: 400,000 additional households with broadband access at least 30 Mbps, 500,000 people covered by improved health services
- **AGRICULTURE AND RURAL DEVELOPMENT**: More than 29,000 new jobs created in rural areas, setting-up of more than 9000 young farmers and development of 30,000 small farms, investments made in nearly 4000 viable farms to improve competitiveness, training provided for more than 180,000 farmers, more than 2,500,000 million people benefit from improved living conditions in rural areas through investments in rural infrastructure and basic services, more than 10% of total agricultural land managed by farmers under commitments to support biodiversity and/or environmental protection, 9367 young farmers supported, 10% of total agricultural land to support biodiversity and/or landscapes
- **ESI FUNDS IN ROMANIA**
  - FIRMS: EUR 3.2 billion invested in SMEs’ competitiveness, supporting nearly 3000 firms, 1300 firms receiving financial instrument support
  - ENVIRONMENT AND ENERGY: Recycled waste increased by 940,000 tonnes a year, 170,000 people benefiting from flood protection measures, additional 3,300,000 people served by improved water supply, 342,542 tonnes of CO2eq annual decrease in greenhouse gas emissions
  - RESEARCH AND INNOVATION: 270 enterprises supported to introduce new products, 437 full-time new researchers employed
  - TRANSPORT AND INFRASTRUCTURE: Reconstruction or renovation of 390 km of railways and 389 km of newly built roads, construction or renovation of 74,000 square metres of public or commercial buildings
HOW WILL ROMANIA ACHIEVE THE EXPECTED RESULTS?

Romania will work towards the efficient spending of the EU funds, based on a multidimensional approach.

FULFILLING PRECONDITIONS FOR THE EFFECTIVE AND EFFICIENT USE OF ESI FUNDS

To ensure that ESI Funds are used efficiently and focus on results, the Commission has set some preconditions when allocating ESI Funds to the Member States.

The main purpose of these conditions, also called 'ex-ante conditionalities', is to help all Member States and their regions to tackle issues that past experience has shown to be particularly relevant to the efficient implementation of the Funds. These principles could be linked, for example, to the implementation of EU legislation, the financing of strategic EU projects, or administrative evaluation and institutional capacity.

The ex-ante conditionalities cover most investment areas: improvements to regional research and innovation (R&I) strategies as well as strategic plans linked to environment protection, energy resources, transport, socio-economic inclusion, health services, education and training.

ENCOURAGING THE USE OF FINANCIAL INSTRUMENTS AND TERRITORIAL TOOLS

A significant proportion of the investment will be delivered through financial instruments, including the SME Initiative implemented by the European Investment Bank. The aim is to support SMEs, farms and energy efficiency by providing early- and growth-stage equity, loans and guarantees.

Support is envisaged for: sustainable urban development, the shift to a low-carbon economy, environmental protection, the regeneration of deprived communities, and improving education and training infrastructure. The Funds will implement integrated territorial investment in the Danube Delta, a territory with specific environmental and socio-economic challenges. Moreover, funding will also contribute to community-led local development for urban, rural and fisheries-dependent areas.

SIMPLIFICATION FOR BENEFICIARIES

Romania intends to: simplify guidelines for applicants and procurement procedures for private beneficiaries; improve public procurement legislation; use simplified cost options; simplify the procedures for building permits; and rationalise administrative procedures.

SUCCESS STORIES: EXAMPLES OF PROJECTS USING 2007–2013 ESI FUNDS

BETTER ENERGY SYSTEMS AND LEISURE FACILITIES AT TUDOR VLADIMIRESCU CAMPUS

Improvements to the electrical and heating systems, leisure and catering facilities at Gheorghe Asachi Technical University’s Tudor Vladimirescu campus in Iasi represent an important contribution to social inclusion, jobs, education and training in north-eastern Romania. A total of 5070 students are using the upgraded facilities, and 12 dormitories have been renovated within this project. The energy efficiency achieved by the project has contributed to reducing the costs of student accommodation by almost 40%.

Total budget: EUR 12 595 018
EU budget contribution to the project from ERDF: EUR 10 705 776

THOUSANDS TO ENJOY ENHANCED WATER SERVICES

A major improvement to water services will soon benefit more than 246 000 inhabitants in south-east Romania. The project will concentrate on investments in drinking-water treatment and distribution, and waste-water collection and treatment, including two treatment plants.

Total budget: EUR 95 750 000
EU budget contribution to the project from CF: EUR 73 890 000
More information: [http://europa.eu/lwc38vf](http://europa.eu/lwc38vf)
LAUNCH PAD FOR SUCCESSFUL WOMEN ENTREPRENEURS

A multi-regional Romanian project developed the entrepreneurial skills of 400 women and enhanced their employability. Women from Bucharest, Giurgiu, Oradea and Slatina underwent an intensive course to prepare them better for the labour market and help them in any subsequent career. The training aimed at creating 20 partnerships and 320 start-ups, with as many as 250 SMEs making a profit within a year of activity.

Total budget: EUR 504 700
EU budget contribution to the project from ERDF and ESF: EUR 460 480
More information: http://europa.eu/FP84kg

CAREER CARAVAN

ESF funding co-financed a ‘career caravan’ that visited 42 schools in four Romanian regions. The caravan provided information, personalised guidance and counselling to 12 000 upper secondary education students preparing to move to higher education or to the active life.

Total budget: EUR 4 600 000
EU budget contribution to the project from ESF: EUR 4 000 000
More information: http://caravanacarierei.bns.ro/

BAKING TRADITIONAL BREAD FOR THE LOCAL COMMUNITY

EAFRD support helped a bakery to extend and modernise its production capacity, providing traditional bread and bakery products for over 85 000 people in the rural areas of Cluj and Bistrita counties, in north-west Romania. Through the project, in which employment is an important component, 103 jobs have been created.

Total budget: EUR 2 647 068
EU budget contribution to the project from EAFRD: EUR 920 107
More information: http://europa.eu/idP74BY

FIND OUT MORE ABOUT ESI FUNDS IN ROMANIA

- ESI Funds: http://ec.europa.eu/esif
- YEI: ec.europa.eu/social/BlobServlet?docId=13479&langId=en
- The EU Representation in Romania: http://ec.europa.eu/romania/index_ro.htm
- EU project examples: http://ec.europa.eu/budget/euprojects/search-projects/list_en
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