VASILE PUŞCAŞ - Minister Head of the Department for European Affairs (DEA), Government of Romania

Accessing European funds: all we need is political will and a manifest interest to support the local authorities



What actions could be taken, in your opinion, on a national and regional level in order to simplify the bureaucracy and strengthen the communication in the field of structural funds?

From an institutional point of view, in order to access European funds, Romania has built and rendered operational institutions and mechanisms which fully respond to the requirements of funds management, as any

other Member State. These institutions as well as their management systems have been audited and accredited by the European institutions. In my opinion, these mechanisms should be sufficient for any member state so that those conditions pertaining to the institutions would ensure the absorption of the European funds. Of course, the institutional aspect is not the only aspect to be covered in this field. You mention the overwhelming bureaucracy, but we must bear in mind that it is very important to ensure in each member state the correctness and the observation of all the rules which render these funds instruments of development for the European states and not means of rapid and inequitable enrichment of some individuals.

Another aspect which is equally important as the functioning of the institutions is the access of the potential beneficiaries to information. In what concerns the institutional communication on contracting European funds and the communication with the beneficiaries, DEA envisages European communication partnerships with the political parties, with the partners from the local public administration, with the academic medium as well as with the business sector in order to promote and familiarize the potential beneficiaries with these instruments. We envisage collaborations with partners both from the field of government, and also from the associative environment and thus we will try to ensure an extensive dissemination of all this information.

How can the local authorities be supported in order to strengthen their capacity to develop projects and to have at their disposal the necessary funds for co-financing?

Not only in the position of Head of DEA have I come across the issue of the access of potential beneficiaries to the information and instruments needed for the development objectives that they intend to achieve and that are necessary to the local communities. Both as a Chief Negotiator with the EU and as a Member of the Parliament, I visited and took part, on numerous occasions, to assemblies of the local administration and I was able to find out that the access to this information is not as easy as it would appear.

While representing the Cluj county in the Romanian Parliament, I organized, with the support of my party colleagues and partners from the associative environment and the private sector, free seminars for

the representatives of the local authorities, in which we presented the stages, the steps and all those concrete aspects which can lead to the drawing-up and the eligibility of a development project financed from European funds.

Precisely from this perspective I can say now with certainty that all we need is political will and a manifest interest to support the local authorities.

Practically, during a fist stage, we need training sessions for the employees of the local public administration, events which can supply the necessary information in each area. As far as the necessary funds for co-financing these projects are concerned, they are provided for in the annual budget allotted to each institution, on condition that these expenses are anticipated by the beneficiary and can be accounted for.

What is, in your opinion, the future of the collaboration between DEA and EIR?

EIR already has a tradition in translating the Community Acquis, in elaborating impact studies, as well as in the European communication in Romania and DEA is the main communicator as far as the matters of European interest in Romania are concerned. The collaboration between the two institutions is consequential, especially regarding the communication partnerships with, for instance, the business, academic or political environments.

Could you give us some details about the priorities of DEA in 2009?

One of these is, as you probably expect, the objective of European communication, thus being in accordance with the priorities mentioned by the European Commission. This year is a special one for the whole Europe, not only for Romania. The European Parliament elections and the establishment of a new European Commission are events which affect all Member States from a political, economical and social point of view. It is important that Romania, which takes part for the second time to the elections for representatives in the EP, approaches the matter from the perspective of promoting and sustaining the national interest in Europe and not from the one of internal interest. The political actors (parties, candidates, electors) must learn to make the difference between elections for the internal institutions and those for the EP and, especially to understand that the two have different objects. People are confused in what concerns the representation in the EP - they do not understand the advantages for the local communities. At the same time the candidates and the political parties make the same mistake as the electors. I am saying this because I listened very carefully the messages of all the parties which took part in the EP electoral campaign. I noticed that the campaign themes were not related to European affairs or Romania's involvement in them, but belonged almost entirely to the internal politics. The confusion was also reflected in the rate of

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participation to the polls. I insisted so much on this aspect in order to underline the reason why the European communication is a priority for DEA.

What do you think about the measures taken by the Community to counteract the effects of the present economic crisis?

The European plan for economic recovery offers the general framework for the coordination of the national policies of Member States in confronting the economic and financial crisis.

Besides the measures initiated by the EU (EIB and EBRD credit lines, financing projects of trans-European energy networks, accelerating the implementing of structural funds, the European initiative regarding

the ecologic automobiles, etc.), the European plan contains guidelines that the majority of member states have started to implement. They aim mainly at unblocking the financial-banking system, directing the public expenditure towards profitable investment (infrastructure, for instance), improving the business environment and supporting the SMEs, stimulating the employment of labour, improving the energy efficiency, etc.

As the crisis is barely beginning, the Community efforts for economic recovery are expected to be supplemented by new measures, according to the evolution of the crisis and to the results of the measures which have already been implemented. It is only the collaboration of the Member States with the European institutions that could offer an adequate answer to the crisis and could re-launch the EU economy.

In Focus

RJEA - On Its Anniversary...

Today we turn 30 ... Not 30 years old, but 30 issues.

The **Romanian Journal of European Affairs** (RJEA), EIR's quarterly journal, with constant issues since December 2001, aims at attracting scientific contributions of Romanian and foreign authors in order to provide a favourable setting for the analysis of hot topics on the European agenda.

Our anniversary issue (March 2009) offers a series of analyses regarding the economic and financial crisis, aspects related to the migration phenomenon and its impact on Romania, as well as two theoretic perspectives on the advantages of the internal market and on the concept of "differentiation".

The present financial crisis and especially the perspective of its prolongation, raises numerous questions regarding the ability of the Monetary Union mechanisms to address the challenges of a true economic storm. The Euro Zone, an area of relative calm in times of crisis, is being courted by the new Member States who wish to join in the near future. **Daniel Dăianu**, Member of the European Parliament and **Laurian Lungu**, Professor at the Cardiff Business School have been trying to determine whether the new Member States are being affected in their approach by the present economic and financial crisis and whether their joining process will be swift (with benefits for these states as well as for the Euro Zone) or, on the contrary, slow (considering the difficulties met by the states in question in complying with the Maastricht criteria).

Also in the context of the present economic crisis, **Anton Comănescu**, economist at the National Bank of Romania draws attention upon the importance of the communication at the level of central banks. Restoring confidence on the financial markets is a priority in times of crisis and to this purpose, the transparency that the central banks need to prove in their messages regarding the monetary policy increases the importance of the communication segment in this field.

The effects of the financial crisis are analyzed by Professor **Ana Bal** from the Academy of Economic Studies in Bucharest, from the perspective of the competition between the American and the European currency. In an attempt to determine which one will be the dominant currency in a global post-crisis economic system, the volatile evolution of the euro/dollar binomial is subject to a rigorous economic analysis.

The benefits of the internal market and of the elimination of barriers to the circulation of the production factors are emphasized by **Ljubica Dzabirova**, PhD student in International Law at the University of Amsterdam, who analyzes a number of recent developments regarding harmonization in this field at the level of the European Union. **Bogdana Petrică**, Lecturer at the University of Bucharest (Department of European Studies and International Relations) analyzes in the context of a theoretic analysis the



connection between the integration process and the successive waves of enlargement through the perspective of the concept of "differentiation", an important concept in the history of fundamental legal acts of the European Union, which promises to solve the sensitive issue of the diversity of visions and interests of the states, that cannot be ignored in the context of the elaboration of a new fundamental act of the European Union.

Romania, as a Member State at the Eastern border of the European Union must efficiently manage the migration phenomenon, especially in the context of the guidelines of the European Neighbourhood Policy. From this perspective, **Adrian Pop**, International Relations Professor at the National School of Political and Administrative Studies from Bucharest, analyzes the particularities of this phenomenon with a view to the case of the Republic of Moldova.

This issue, as well as the previous issues of the journal are available at the following address: www.ier.ro/rjea

On its anniversary, the present RJEA team wishes to thank the initiators of the journal's project, the authors of the articles hosted during these years, as well as everyone who was part of the RJEA team during the various phases of development of this publication.

Oana Mocanu Editor-in-Chief RJEA

FLORIN BONCIU

Member of the Consultative Scientific Board of EIR, trainer for the EIR's General training programme in European Affairs

The economic crisis requires innovative solutions on a personal level as well as on company, community and national level

At the Spring European Council a Franco-German perspective which sustained the imperative necessity of regulating the financial markets and the reduction of the tax incentives value which are still being granted was drafted, as well as a British perspective similar to the American vision and in opposition to that of France and Germany. How beneficial is this dichotomy in the context of a European anti-crisis plan?

There was a certain diversity in the situations which carachterised the member states since the beginning of the European integration process. After the 2004 and 2007 enlargements this diversity grew substantially and a greater diversity of problems came along and implicitly a greater diversity of solutions adequate to each member state. In this context it is likely that the unanimously accepted solutions constitute a rare exception and not a rule. On the other hand, if we analyze a series of situations prior to the crisis (the energy issue, the adoption of the EU budget in 2006, the position towards the Constitutional Treaty and so on) we can say that the disagreements on important issues were frequent. Therefore, my answer would be that this dichotomy was likely to occure, that others will follow and that the interpretation should be, nevertheless, positive: it is good to have diversity, it is better to have dialogue between parties and it is best to adopt, in the end, a position that can be applied.

How will the European Comission be able to support the economies of the new Member States in the circumstances where these states contract substantial loans?

First of all it could support them by coordinating their actions in order to achieve a synergy of the effects of national economic policies in the context of the single internal market. Of course, it could also support them by urging the developement of projects related to the transport, communications and energy infrastructure, an urging which, in my view, consists in granting emergency technical assistance for drawing up and monitoring projects in these fields. I belive that on short and medium term, this is the only way that the Comunity funds alloted to these states will be used to a greater extent.

Why does the European Union need the mechanisms of financial supervision of the International Monetary Fund?

These mechanisms have also been used in some cases in the preaccession period, this being explained by the fact that the EU does not have any mechanisms of monitoring the evolution of economies which are in difficulty. In other words, the European Economic



Community and later the European Union were not designed to work with developing countries or to solve balance of payments of some countries. At the same time, the IMF has expertise in precisely these fields, therefore this is the reason why its services are needed.

How necessary do you estimate an agreement with IMF would be for Romania and which would be, in your opinion, the benefits of such an agreement?

The question is somewhat rhetorical because Romania had to borrow funds from somewhere and for now this was the best solution. From a philosophical point of view, it can be said that what one has to do is, in any case, necessary to be done. The benefits are numerous, but synthetically, by this agreement with the IMF, Romania continues to be a functional piece of the European and global economic system, of course, at a certain cost.

How do you estimate the social costs for Romania which might result from the IMF agreement?

In my opinion, in Romania these costs will disturb to different extents, of course, some social categories, but generally, they will be bearable. The fact that a large percentage of the population lives in the rural area, the inclination towards improvisation and ingenuity will help us surpass this moment. What I hope for is for a constructive reaction to be determined by these costs, that is a search for innovative solutions on a personal level as well as on company, community or national level. The challenge raised by the present global economic crisis is that it forces us to do things IN A DIFFERENT MANNER and to rethink, more or less, our whole activity, all this at a relatively high cost.



EIR Agenda: April - May 2009

Training in European Affairs

 Preparation seminar for admission in European institutions collaboration with the Centre for European Studies in Strasbourg 4th - 6th May

The Infringement Procedure under Art. 226 of the TEC Analysis and Screening of Cases of the European Court of Justice

14th - 15th May

partnership with the European Institute of Public Administration, Luxembourg Antenna

EIR: Contributions to substantiating the Romanian policies

A new series of studies: SPOS – 2008



The scientific substantiation of Romanian strategies and policies, from development to implementation and evaluation, plays a role whose importance in the European integration process is increased by the need to close the socioeconomic gaps which separate us from the other Member States.

The research programme supporting the Strategy and Policy Studies (SPOS) was launched in 2006 in

order to assist the decision-makers in successfully fulfilling Romania's responsibilities as EU Member State. This programme is the main contribution of EIR to the substantiation of the Romanian policies and strategies since 1st January 2007.

For this purpose, the **new series of studies SPOS 2008** was aimed to state and support with arguments several elements for substantiating the post-accession policies and Romania's position regarding the European edifice as well as to contribute to guiding the European policies. The four studies from the series SPOS 2008 bring the total number of EIR studies to 65.

The subjects covered meet various specific needs, with high impact in our society, starting from the need to increase the strategic feature of the policies, by integrating them and anticipating the European tendencies (*Directions regarding Romania's energy security and European Perspectives on Asylum and Migration*), continuing with the specific need to use internally the European framework (*Legal Regime of the CJEC Preliminary Rulings and their Impact upon the National Legal System*) and concluding with the need to provide milestones and elements for substantiating Romania's position in the European analysis and decision mechanisms (*Milk quota impact upon the Romanian farmers in the Common Agricultural Policy context*).

The studies of the project SPOS 2008 were conducted by researchers and university professors from important research institutes (Institute of World Economy, Institute for Agricultural Economics), renowned academic centres (The Bucharest Academy of Economic Studies, The Bucharest Polytechnic University) as well as from other institutions.

The EIR studies are available in electronic format at www.ier.ro, the section "EIR Publications"

Mihai Sebe

European Studies and Analysis

EIR- EIPA COURSE: 14-15 May, Bucharest

The Infringement Procedure

The European Institute of Romania launches the cooperation with the European Institute of Public Administration (EIPA) by organising in partnership the course



on The infringement procedure under Article 226 TEC - Legal Analysis and Screening of Cases of the European Court of Justice. The lecturers of the programme will be: **Carla BOTELHO**, senior lecturer at the European Centre for Judges and Lawyers, EIPA's Antenna in Luxembourg, **Marc CLÉMENT**, Directorate-General for the Environment, Infringement Unit, European Commission, **Jean-Baptiste LAIGNELOT** — Legal Service of the European Commission.

The infringement procedure is a method of control which the European Commission can use to assess whether the Member States comply with and implement the EU legislative system. The consequences of launching the infringement procedure can lead to sanctions being imposed on the Member State. Up to now, Romania has been the object of this procedure in the energy and communications areas, no sanctions being imposed. This instrument is envisaged to be invoked in the environment protection area.

This programme is dedicated to the experts from public institutions involved in the implementation of the *Community acquis* or in the preparation of the views and national strategies of reply during the stages of the infringement procedure. The course can also be of interest to the legal specialists interested in the case-law of the European Court of Justice.

Covering mainly the stages of the infringement procedure, the case-law of the European Court of Justice and the reply methods, the **programme relies on the multinational expertise of the EIPA trainers** providing the participants with the instruments for understanding the infringement procedure and acquiring the best national strategies of reply.

English will be the working language throughout the course. This course will be held at: European Institute of Romania, 7-9 Regina Elisabeta Blvd., Bucharest.

The course fee is 2.150 lei and can be paid by payment order, bank transfer or directly at EIR no later than **24**th **April 2009**.

For further details about the registration to this course please refer to www.ier.ro, section "Training in European Affairs - Current programmes".

Coordinator of this programme: Laurenția Mereuță

Tel: 021-314 26 96 extension 150

E-mail: formare@ier.ro.

Calm after the storm

At the begining of this year Romania's foreign relations have been marked by the tensioned dialogue with Italy. A series of transgressions perpetrated by Romanian nationals living in the peninsula have occupied the headlines of the Italian media, a fact which can be identified as one of the causes of the inflammation of xenophobic spirits. In Romania, the reactions have been strong, especially from the perspective of considering all Romanians residing in Italy as offenders.

Rights and freedoms

In the context of these controversies an essential aspect must not be overlooked – both Romania and Italy enjoy the EU membership status, even if Italy is a founding member, while Romania is part of the last EU accession wave, the 2007 wave. **The right to the freedom of movement** – one of the main components of the European construction – was also invoked by the Romanian minister of foreign affairs, Cristian Diaconescu, on the occasion of his recent visit to Italy, during a press conference held with his Italian counterpart, Franco Frattini.

The safety of citizens is one of the duties of each nation, but also a way of justifying the exercise of power by the state. As the Italian state is entitled to take the necessary measures to insure the

safety of the Italian people, similarly, the Romanian state has the duty to protect its citizens outside the borders, both interventions being limited by the current Community law.

Presently, the danger resides in the adoption of some Italian legislative measures which are interpreted by many as contrary to Community law and infringements of the rule of law. The Italian Parliament is debating the adoption of a law which would not only

enhance the sentences for those who are declared guilty of serious sexual crimes, but it would also create some "citizen patrols" which are meant to watch and to contribute to the order of Italian communities. Nevertheless, public opinion cannot be a law court and justice cannot be managed outside the institutions designated for it. The stupefaction of Italian citizens is understandable given the violence of some of the acts committed by some Romanian citizens, but the danger of expressing collective anger cannot be overlooked.

A recent example can be found in the verbal and even physical attacks on two Romanian former detainees accused of a heinous crime against an Italian young girl, aged 14, crime perpetrated on Saint Valentine's Day. Although initially one of the suspects had recognized his guilt, he later retracted his confession citing police pressure, only to be later proven as innocent by the DNA testing. In the aftermath of their release, one of the two men, Karol Racz, even managed to impress the Italian public by sharing his life story during one of the most prestigious television programmes in Italy. This case illustrates the danger that the "presumption of guilt" can lead to sentencing in the "court of public opinion". Consequently, the **right to a fair trial** would become a rejectable provision, which cannot stand in the way of gregarious manifestations of vigilantist pathos.

Reactions and interpretations

Minister Diaconescu's visit in Italy is frameworked in a series of actions and reactions of Romania's officials and public opinion. Some

of the Romanian members of the European Parliament, amongst which Daciana Sârbu, Marian Jean Marinescu, Sebastian Bodu (all belonging to the EPP-ED) and Corina Creţu (SGEP) have signed opened letters to Italian authorities in order to disapprove the generalizations from the Italian media, the xenophobic actions and the endangerment of the living situation of all Romanians residing in Italy, especially those earning their living in a conscientious manner. Renate Weber, MEP on behalf of ALDE criticized the Italian media for the disproportionate attention given to crimes committed or allegedly committed by Romanians in relationship with their small proportion (5% being cited) of the total number of delinquencies with Italian authors or authors of other nationalities.

Similarly, there are comments in the Romanian press which examine the report between the total number of Romanians in Italy (estimated at over one million people) and the number of detainees (1.773, according to the Romanian Ministry of Internal Affairs), out of which 953 with definitive sentencing. Other analyses perceive the virulence of the attacks of certain segments of the Italian media as a peninsular internal political issue and the attacks as attempts to look for culprits for the current economic crisis. Beyond these interpretations

there have also appeared reactions of clear distinction between the Roma ethnicity and the Romanian people, and certain groups of Romanians in Italy have distanced themselves from the accused people, even calling for their extradition. Such attitudes ignore the aspect of European citizenship and the liberties it entails.

In spite of the occasional attacks on Romanians residing in Italy, there have also been encouraging signs for

the normalization of the situation. For instance, the protest marches of the extreme right wing movement, Forza Nuova have been a complete failure, lacking the popular support they were aiming for. Also, during his visit to the Roma City Hall, the Pope expressed his hope the city would find "the necessary force" in order to ask all to "observe the **rules of cohabitation** and reject any form of intolerance and discrimination".

100,000 Romanians in Lazio region 27,000 Romanian firms in Italy 27,000 Italian firms in Romania

The relationship between ROMANIA and ITALY in numbers:

Over one million Romanians in Italy, out of which

1.2% — Romania's contribution at Italy's GDP

 $\mathbf{5} - \mathbf{8}\% - \mathbf{I}$ Taly's contribution at Romania's GDP

12 billion Euros – annual trade

Source: Romanian Ministry of Foreign Affairs and Unimpresa

Perspectives

The depth of Romanian-Italian relationship, given by linguistic and cultural affinities and by economic exchanges requires a return to collaboration and detensioning.

The demographic deficit of Western Europe in general, and Italy in particular, is well known. Romanians, as well as other people, can contribute to exceed it. The obligation of Romanians in Italy and everywhere else is to try and integrate to the best of their abilities in the tissue of the "adopting" society and respect the norms of proper civic conduct. At the same time, the Italian authorities and media should encourage tolerance towards foreign populations and the rejection of stereotypes and generalizations.

The common membership to the European family can and must be an impetus for overcoming the critical situations and for the continuation of the collaborative relations.

Alina Arhire

Training in European Affairs

How efficient is the communication in the field of structural funds?

This is one of the questions which can be more and more frequently found on the agenda of the public debates taking place in Romania, whether it is raised by the beneficiaries or the potential beneficiaries of the structural funds, public authorities, development consultants, representatives of mass-media, NGOs and research institutes or by the general public witnessing, more or less passively, the saga of accessing the European money.

Given the differences in the perceptions of the actors involved in accessing and using the structural instruments as regards the success, difficulties or transparency of the ways of putting some of the financing opportunities to good use, EIR brought face-to-face the most important of these actors during the conference which took place in Bucharest on 26th March 2009. The subject of this conference was the communication in the field of structural funds, and the event had a dual structure. There was, on one hand, a session of presentations which was attended by Mr **Bogdan Drăgoi**, Secretary of State at the Ministry of Public Finance, Mr Bogdan Badea, Director at the Department for European Affairs, Mr Gabriel Friptu, Director General at the Ministry of Regional Development and Housing, Mr Florin Pogonaru, president of the Romanian Businesspersons Association and was moderated by Ms Gabriela Drăgan, Professor, PhD, Director General of EIR, and on the other hand, there were two workshops on "The European Social Fund" and on "The European Regional Development Fund and the Cohesion Fund". The workshops were moderated by Ms Alina Bărgăoanu, Associate Professor, PhD, from SNSPA, Mr Ionut Sibian, CEO of FDSC and Mr Dragos Pîslaru, General Manager of GEA Strategy and Consulting and the session of concluding remarks was also attended by Mr **Stefan Ciobanu**, Director General of ACSI (Authority for the Coordination of Structural Instruments).

Between procedural slowness, bureaucratic perfectionism, fragmented messages and successes shadowed by prejudices

Apart from the subjective and situational aspects and elements of the debates, the ultimate indicator for the efficiency of the communication in the field of structural funds seems to be the rate of absorption of the European money itself. Even in these circumstances, the diagnosis of the inefficiency of the information and communication activities on these topics should be treated, according to some opinions, quite cautiously. First of all because in the equation "quantity-quality" the exclusive orientation towards quantity often leads to wrong interpretations and an evaluation of the qualitative side of the projects financed from structural funds is still premature. Then, the communication between public authorities, consultants, representatives of the business

environment and journalists runs the risk of becoming a "dialogue of the deaf" in which the blaming on each other leads to no result as each of the parties involved believes either that the efforts to adapt to the requests, recommendations and requirements are not sufficiently acknowledged and rewarded or that the excessive negativism of the press exacerbates the tension gathered around the topic of accessing the European money. Messages like "Romanians are champions of fraud" or "No euro was absorbed" constantly spread by the media generate suspicions and frustrations which paralyse *ab initio* the initiatives of the potential beneficiaries of European funds. However, a unanimously held idea was that the specialised press, willing to convey balanced and objective messages could contribute essentially to the success of accessing the structural and cohesion funds.



Trust and cooperation - the solution for accessing the European funds

The conclusions of the conference confirmed the essential role of the public consultation action and, generally, of the communication on all the levels involved in covering the road towards contracting and carrying out projects financed from structural funds. Several practical solutions were specified for increasing the efficiency of the access to information, for simplifying the guidelines to applicants, and also the procedures, for strengthening and diversifying the channels of communication between all those involved, for improving the regulations framework, for increasing the attractiveness of certain lines of action etc.

The necessary condition for the success in accessing the European funds is nevertheless the overcoming of the current stage of tension and distrust. Taking responsibility, tolerance for errors, trust and cooperation between various categories of actors involved are the most certain steps towards making good use of the opportunities provided by the absorption of the Community money.

The detailed synthesis of the debates is available on the EIR website - www.ier.ro.

Editor-in-Chief: Mădălina Paula Barbu

Editors: Alina Arhire, Mariana Bara, Iulia Serafimescu

Graphics: Monica Dumitrescu

English version: Loredana Iordănoiu, Mihaela Papa, Diana Popa

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European Institute of Romania

7-9, Regina Elisabeta Bvd., RO - 030016, Bucharest, Romania Phone: (+4021) 314 26 96/ 133 Fax: (+4021) 314 26 66

Contact: newsletter@ier.ro
Web: www.ier.ro