

2007-2013 STRUCTURAL FUNDS In ROMANIA

Following the Commission's affirmative response to the Romania's and Bulgaria's accession to the EU in September, without any further delays, on January 1st 2007 was completed the broadest enlargement in the history of the European Union, which now counts 27 Member States.

The managers and foreign citizens can safely invest thanks to the benefits offered by the new "stars of Europe":

- general diminishment of the bureaucracy impediments, in the spirit of the 4 free circulations in the EU (free circulation of persons, of merchandise, of capital and of the supply of services);
- adoption of the community standards;
- adhesion to the principle of customs union, with a substantial drop in the customs duties;
- the economic conditions make these countries interesting potential markets for our products;
- approximately EUR 30 billions from the **structural funds** for Romania.

The **structural funds** are the main instruments of the economic and social cohesion policy that the European Union issued for filling up the differences in the economic development between the European regions. The new cohesion policy, enforced starting with 2007, contains various changes with respect to the 2000-2006 period. The cohesion policy is characterised by a decentralised management: in fact, irrespectively whether the structural funds are European funds, their distribution is established depending on the various regions.

There are three new financial instruments:

- The **European Social Fund (ESF)** is implemented in compliance with the European employment strategy and it focuses on four goals: to increase the adaptability of workers and companies, to improve the access to employment and to the participation on the labour market, to reinforce social inclusion by fighting discrimination and facilitating the disabled persons' access to the labour market, as well as to promote partnerships for the reform in the field of employment and inclusion.

- The **European Regional Development Fund (ERDF)** promotes public and private investments with a view to reducing regional disparity inside the Union; supports programmes of regional development, economic change, strengthening competitiveness and territorial cooperation throughout the European Union territory. The financing priorities include the following fields: research, environment protection, prevention of risks and investments in the infrastructure, especially in the regions of delayed development.

- The **Cohesion Fund** intervenes in the sectors of environment and transeuropean transport networks; it is activated for the Member States that have a GDP below 90% of the community average. However, the Regional Development Fund does not include Feoga, the instrument dedicated to the rural and agricultural activity. According to the financial perspectives, agriculture has a distinctive place, apart from the cohesion. The Equal, Interreg, Urban and Leader community initiatives have ended and have been absorbed in the normal course of the Funds' activity.

Three objectives are set, at European level, for the 2007-2013 programming period:

1. Convergence;
2. Regional competitiveness and employment;
3. Territorial cooperation.

The entire Romanian territory is eligible for the Convergence objective and benefits from financing from the European Social Fund (ESF), from the European Regional Development Fund (ERDF) and from the Cohesion Fund (CF) and for the Territorial cooperation objective, for which it received financing from the ERDF.

Following the Romania's accession to the EU, it shall receive, in the period 2007 – 2013, community funds amounting to approximately EUR 29.5 billions, of which **EUR 17.317 billions are structural and cohesion funds** and **EUR 12.183 billions are agricultural and rural development funds**. Romania's contribution to the European Union budget, within the said period, shall be of approximately EUR 8.1 billions.