

COMITETUL DE MONITORIZARE AL PROGRAMULUI OPERAȚIONAL REGIONAL

HOTĂRÂRE **privind aprobarea textului revizuit al** **Programului Operațional Regional 2007 - 2013**

În temeiul prevederilor art 12 din Hotărârea Guvernului nr.765/2007 privind aprobarea constituirii Comitetului de Monitorizare a Programului Operațional Regional 2007-2013 și a Regulamentului - cadru de organizare și funcționare al acestuia,

Comitetul de Monitorizare al Programului Operațional Regional adoptă prezenta hotărâre:

Art. 1 - Se aprobă textul revizuit al Programului Operațional Regional.

Art. 2 – Textul revizuit al Programului Operațional Regional este prezentat în Anexa, care face parte integrantă din prezenta hotărâre.

PREȘEDINTE **COMITETUL DE MONITORIZARE AL** **PROGRAMULUI OPERAȚIONAL REGIONAL**

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Ministrul Dezvoltării Regionale și Turismului



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3.2.3 Priority Axis 3: Improvement of social infrastructure

Quantified objectives – Indicators

Indicators	Unit	Baseline	Baseline year	Source	Target (2015)
COHERENT					
Rehabilitated/ modernised equipped health care units	No.	-	2006	ROP Monitoring System -SMIS	53
Rehabilitated/ modernised/extended equipped social services infrastructure	No.	-	2006	ROP Monitoring System –SMIS	270
Mobile units equipped for emergency interventions	No.	-	2006	ROP Monitoring System -SMIS	510
Rehabilitated/ modernised equipped educational units - pre- university education infrastructure	No.	-	2006	ROP Monitoring System -SMIS	130
Rehabilitated/ modernised/extended equipped campuses pre- university educational infrastructure	No.	-	2006	ROP Monitoring System-SMIS	30
Rehabilitated/ modernised/ extended/ equipped centers for continuous vocational training (CVT)	No.	-	2006	ROP Monitoring System -SMIS	35
Rehabilitated/ modernised/ extended/ equipped university campuses- university education infrastructure	No.	-	2006	ROP Monitoring System -SMIS	15
INDICATOR					
Persons benefiting from the rehabilitated /equipped health care infrastructure	No/day	-	2006	Surveys	30,000
Persons benefiting from the rehabilitated / extended/ equipped social services infrastructure	No	-	2006	Surveys	10,000
Average response time of mobile units in rural localities (communes) – infrastructure for emergency situations	Min.	Up to 30'– 45' in rural area	2005	Surveys	Up to 12' in rural area
Average response time of mobile units in urban localities (towns) – infrastructure for emergency situations	Min.	Up to 20' in urban area	2005	Surveys	Up to 8' in urban area
Disadvantaged children benefiting from the rehabilitated / modernized /extended/equipped educational units - pre-university education infrastructure	No	-	2006	Ministry of Education, Research and Youth/Surveys	5,000
Pupils benefiting from the rehabilitated / modernized /extended/equipped pre-university education infrastructure	No	-	2006	Ministry of Education, Research and Youth/Surveys	40,000
Persons benefiting from the rehabilitated/modernized/extended/equipped infrastructure for the continuous vocational training (CVT)	No	-	2006	Ministry of Education, Research and Youth/Surveys	3,000
Students benefiting from the rehabilitated/modernized/extended university campuses	No	-	2006	Ministry of Education, Research and Youth/Surveys	2,000

3.2.4. Priority Axis 4: Strengthening the regional and local business environment

Objective

This priority axis aims to set up and develop business support structures of regional and local importance, rehabilitate industrial sites and support regional and local entrepreneurial initiatives, in order to facilitate job creation and sustainable economic growth.

Rationale

The disparities between the country's regions, regarding the entrepreneurial/ industrial development - measured by the number of enterprises at 1000 inhabitants - deepened within recent years. Bucharest-Ilfov Region has 3 times more enterprises compared with North-East Region, the least developed one. Furthermore, there are 2.5 times less enterprises by 1000 inhabitants in Romania, compared with EU-15 average, with an unequal distribution across the eight Development Regions.

Conditions for business location are insufficiently developed in most of the regions, while the SMEs, especially micro-enterprises, have difficulties in getting financing, particularly in the lagging behind regions and mono- industrial localities, in severe decline after 1990, when the country embarked upon a large and complex economic restructuring process. This situation makes necessary a specific approach at regional and local level under ROP; particularly, at local level can be found specific solutions and promoted suitable projects, due to the fact that it represents the most appropriate level according to the subsidiarity principle, contributing to strengthening local business environment. Besides, there are two strong practical arguments, namely the expertise gained by RDAs, as implementing bodies of SMEs projects funded under ESC - Phare, and their closeness to the beneficiaries, which can ensure a successful implementation of business projects.

The ROP will concentrate on the development of business support structures specific to each Region, especially in the less developed and economically declining areas, in order to attract investors for locating their businesses and create jobs.

The ROP will also support the rehabilitation of industrial sites, as the land recovered will be an important economic factor for regional/ local development.

Taking into consideration the revised Lisbon strategy, it is also necessary to invest in the modernization of local and regional productive sectors, by supporting entrepreneurship and facilitating the development of micro enterprises.

Micro-enterprises will play an important role in regional/local economic development and job creation. Due to this fact, it is extremely important for the ROP to support a friendly entrepreneurship climate in the local communities, by facilitating the creation of new businesses and the development of existing ones.

Furthermore, key activities for ensuring regional and local prosperity consist in supporting technological transfers to micro enterprises, in line with the Regional Innovation Strategies (RIS). Most of the Development Regions are drafting the RIS with the EU support.

Regarding the beneficiaries of projects, ROP will support local authorities, religious entities and private entrepreneurs in order to create and/or to develop regional and local operational business structures, to attract enterprises, especially SMEs, which will contribute to job

creation and the use of the labour force available in the area.

ROP targets areas affected by industrial restructuring, with development potential. The Regional Development Plans - elaborated at regional level in large partnerships - will play an important role in identifying areas benefiting from ROP support.

Key Areas of Intervention

- Development of sustainable business support structures of regional and local importance
- Rehabilitation of unused polluted industrial sites and preparation for new activities
- Support the development of micro-enterprises

Cross-financing (as defined in art. 34(2) of the Council Regulation No. 1083/2006) may be used within this priority axis, if needed.

Development of sustainable business support structures of regional and local importance

Business support structures are clearly designated structures, which provide a series of facilities and/or spaces, in order to carry out economic activities of production and services.

The aim is to attract investment to valorize local resources. ROP activities will focus on providing support to local authorities, religious entities and companies in order to set up and develop their own regional/local importance business support structures, to attract enterprises, mainly SMEs.

The presence of business support structures is a vital factor in the increase of the Regions' attractiveness as locations for investment in economic and social activities, and a key tool for stimulating the regional and local business environment. Furthermore, business support structures will also contribute to the enhancement of Romania's competitiveness within the framework of an enlarged European Union, and will create the basis for a better integration of the national economy within the European economy.

This conclusion was reached based on the industrial parks projects financed and implemented under PHARE ESC 2000 and 2004-2006 which had a positive impact on local economic development and job creation. Consequently, the local business environment was strengthened and SMEs were encouraged to carry out economic activities for the benefit of local communities.

Business support structures, designed to develop economic activities, provide appropriate conditions for the establishment of enterprises, especially for the productive SMEs and SMEs support services. They contribute to job creation, diversification of economic activities in the area, and consequently to the increase of the regional GDP in the area. Business support structures, particularly with regard to development and setting up of micro-enterprises, are also essential in order to ensure the sustainability of new businesses.

Modern business support structures enable the Regions to benefit from competitive advantages by using their specific resources, unused or underused so far, and by mobilizing the whole existing productive potential, especially in the lagging behind regions, which will contribute to convergence in the regions. Business support structures will be predominantly developed in areas where there is a clear demand for business locations, foreseen also by the Regional Development Plans.

The existing business support structures are in many cases insufficient, due to a lack of logistics, equipment, utilities, and space needed to carry out economic activities. At the same time, some of them are not fully operational, and need to be assisted in order to be able to improve the services rendered to enterprises. For this reason, the support will be given to the development and creation of new locations for business support structures, providing advanced equipment and utilities. The aim of this is to attract innovative enterprises, which will perform or benefit from research activities.

Indicative operations will focus on:

- ✓ The setting-up and development of the different types of regional business support structures (BSS):
 - Construction/rehabilitation /extension of buildings only for productive and services activities;
 - Rehabilitation/extension of the internal road system inside the location and also the access roads;
 - Set up/rehabilitation/ modernization/extension of the basic utilities (water, sewage, natural gas and electricity networks);
 - Cabling, internet broadband networks etc.;
 - Buildings demolition;
 - Promotion activities;
 - Extension of the BSS (waste removal, cleaning, etc);
 - Other related activities needed to set up/develop business structures

Rehabilitation of unused polluted industrial sites and preparation for new activities

A main concern of the ROP is the rehabilitation of industrial sites. The location of former industries affects the environment in the intercross areas, very many industrial areas being located within the most favourable geographic areas.

The rehabilitation of these industrial areas supports not only the improvement of the environment, but it also provides better conditions for new investment due to the infrastructure, which requires only improvements and not complete renewal.

Industrial sites where the economic activity has ceased are spread throughout the country, presenting a negative image for investors. Nevertheless, they are often located in the most favourable geographic areas close to the transport networks and districts (services and other facilities), and have unused public utilities networks (water, gas, sewerage, etc.) which could be rehabilitated, improved and developed.

The reason for rehabilitating industrial sites is to revitalize areas, in order to include them in the economic flow, more specifically making them available for companies interested in such locations, adequate for business development, including the creation of business support structures.

ROP encourages the reuse or the rehabilitation of industrial sites in order to maintain the quality of undamaged soils and to prevent contaminated sites from having a negative impact on human health, wildlife, flora and the environment. Industrial sites rehabilitation will have a positive impact on **ecology**, by cleaning the polluted areas, on **economy**, by promoting the

settling of investors, on **social**, by revitalizing the unused polluted areas, employment promotion and training measures.

Providing private investors with the economy's complementary infrastructure is an absolute necessary condition to develop the private sector. Practically, the existence of this kind of infrastructure is determinative for private investors to choose a certain region, county or locality.

It became a necessity for Romania to rehabilitate and prepare for new activities, the unused polluted industrial sites, which remained after the closure of one or more enterprises, in the case of industrial platforms, or polluted sites, as a result of former pollutant activities, and the polluter is not known anymore. The rehabilitation of these sites would favor both the environment cleaning and the local economies, by creating conditions for new investments in new productive activities.

The problem of industrial sites preoccupied the Romanian central and local authorities since the first NDP 2000-2002, based on the eight Regional Developments Plans, was elaborated. The improvement of economic infrastructure priority allowed also the financing of the industrial sites rehabilitation projects from national budget and ESC Phare funds.

The financing of industrial sites rehabilitation projects was foreseen also in consideration that in NDP 2004-2006, and it is also foreseen in the national regional strategy of the NDP 2007-2013. The inclusion of this operation in the Regional Operational Programme for 2007-2013 to be financed from ERDF is underpinned by all economic and social analyses at regional level and foreseen in all regional strategies. In order to implement efficiently this measure an authorized support for creating the necessary expertise both at central and regional level is needed, in the process of implementing under ROP, industrial unused polluted sites rehabilitation.

Indicative operations will focus on:

- ✓ Rehabilitation of the unused polluted industrial sites and preparation for new activities
 - Cleaning of the unused polluted industrial sites and land improvement;
 - Buildings demolition and land planning;
 - Rehabilitation / extension of buildings only for productive and services activities;
 - Set up/ rehabilitation/ modernization/extension of the basic utilities (water, sewage, natural gas and electricity networks);
 - Cabling, internet broadband networks, etc;
 - Other related activities needed for rehabilitation of the unused polluted industrial sites and preparation for new economic activities.

Support the development of micro-enterprises

The support for local/regional micro-enterprises aims at restructuring lagging behind areas, with economic growth potential especially the small and medium towns and as a result new jobs will be created due to the fact that they have the necessary flexibility to adapt to the demands of a dynamic market economy.

The Regional Operational Programme supports the establishment and development of productive and service micro-enterprises and use of the endogenous potential of the Regions (natural resources, raw materials, human resources, etc). Furthermore, micro-enterprises will be encouraged to use new technologies and innovations, IT equipments and services with an essential role in increasing competitiveness, productivity and quality of services.

The entrepreneurial initiatives were also supported from PHARE Economic and Social Cohesion Programme – 2000, through which 2 schemes were financed: a grant scheme for new enterprises, micro- enterprises and start-ups financing, a consultancy and training scheme for SMEs.

The financing of micro-enterprises may also involve different types of financial engineering instruments (JEREMIE).

Indicative operations will focus on:

- ✓ Support to micro-enterprises' development
 - Procurement of equipments and modern productive technologies, services, constructions;
 - Procurement of IT systems (software and equipments);
 - Use of new technologies in the current activities of micro-enterprises;
 - Relocation of the micro-enterprises in business structure;
 - Extension/ construction/ rehabilitation/ modernization of the micro-enterprises production spaces;
 - Specific development activities.

The regional competitive advantages and the regional disparities will be taken into consideration at the level of the gross investment.

Priority will be given to those economic activities with potential competitive advantages, identified in Regional Development Strategies.

Quantified objectives - Indicators

Indicators	Unit	Baseline	Baseline Year	Source	Target (2014)
COMMITMENT					
Business support structures assisted	No	-	-	ROP Monitoring System – SMIS	15
Unused polluted industrial sites rehabilitated and prepared for new economic activities	Ha	-	-	ROP Monitoring System – SMIS	75
Micro-enterprises supported	No	-	-	ROP Monitoring System – SMIS	1,500
REGIONAL					
Occupation rate in business support structures (after 2 years since the project was finalised)	%	-	-	Surveys	50
New jobs created in the supported business structures	No/FTE	-	-	Surveys	4,000
New jobs created in the supported micro-enterprises	No/FTE	-	-	Surveys	3,000

4. FINANCIAL PLAN

In accordance with EU Regulations Romania's regions are eligible under the „Convergence” objective because their GDP is under 75% of the EU average.

During the 2007-2013 programming period, Romania will receive 19,667 million euro from EU Structural and Cohesion Funds, out of which 3,726 million euro will be allocated to the Regional Operational Programme.

The ROP financial resources include: ERDF (3,726.02 million euro), national public funds (657.56 million euro), and estimated private funds (184.76 million euro).

Financing Plan of the ROP giving the Annual Commitment of Each Fund in the Operational Programme

Operational Programme reference (CCI number): 2007RO161PO001

Year by source for the programme, in EUR at current prices

	Structural Funding (ERDF) (1)	Cohesion Fund (2)	Total (3) = (1)+(2)
2007	330,168,339	-	330,168,339
2008	404,126,047	-	404,126,047
2009	441,135,485	-	441,135,485
2010	523,721,833	-	523,721,833
2011	556,767,943	-	556,767,943
2012	663,832,914	-	663,832,914
2013	806,269,201	-	806,269,201
Grand Total 2007-2013	3,726,021,762	-	3,726,021,762

Note: All fundings are for regions without transitional support

The maximum ERDF contribution to the ROP financing can be up to 85% in total eligible expenditure. According to the estimations, in ROP's total public expenditure, ERDF will cover 85%, national public co-financing will be 15%.

It is to be mentioned that an expenditure co-financed under ROP cannot receive assistance under another Community financial instrument.

Where the assistance concerned entails the financing of revenue-generating projects¹, the eligible expenditure shall be calculated on the basis of the current value of the investment cost less the current value of the net revenue from the investment over a specific reference period. The calculation shall take account of the reference period appropriate to the category of investment concerned, the category of the project, the profitability normally expected of the category of investment concerned the application of “polluter-pays” principle, and, if

¹ A revenue-generating project is any project involving an infrastructure the use of which involves fees borne directly by users and any operation resulting from the sale or rent of land or buildings.

appropriate considerations of equity linked to the relative prosperity Romania. Where the operation involves income or any revenue generation, the revenue will be deducted from the base for calculating the eligible amount, which the Managing Authority declares to the Commission.

Financial Plan of the ROP giving, for the whole programming period, the amount of the total financial allocation of each fund in the operational programme, the national counterpart and the rate of reimbursement by priority axis

Operational Programme reference (CCI number): 2007RO161PO001

Priority axis by source of funding (in EUR)

	Community Funding (a)	National counterpart (b) (= (c) + (d))	Indicative breakdown of the national counterpart		Total funding (e) = (a)+(b)	Co-financing rate* (f) = (a)/(e)	For information	
			National Public funding (c)	National private funding (d)			EIB contributions	Other funding (national private funding)
Priority Axis 1 ERDF	1,117,806,529	273,365,256	273,365,256	-	1,391,171,785	80.35%	-	-
Priority Axis 2 ERDF	758,355,021	118,355,985	118,355,985	-	876,711,006	86.50%	-	-
Priority Axis 3 ERDF	585,552,324	103,327,236	103,327,236	-	688,879,560	85.00%	-	-
Priority Axis 4 ERDF	487,182,883	66,567,605	66,567,605	-	553,750,488	87.98%	-	94,991,729
Priority Axis 5 ERDF	678,495,017	68,824,681	68,824,681	-	747,319,698	90.79%	-	137,725,720
Priority Axis 6 ERDF	98,629,988	32,876,662	32,876,662	-	131,506,650	75.00%	-	-
Total	3,726,021,762	663,317,425	663,317,425	-	4,389,339,187	84.89%	-	232,717,449

**The co-financing rate for all Priority Axes is calculated on public cost option.*

The distribution of the funds by the ROP's priority axes resulted first of all from the ROP strategy, as well as from the analysis of the project pipeline gathered from each of the eight development Regions and the agreements reached in the discussions with the representatives of the regions.

Priority Axis 1 concerning the sustainable development of urban growth poles was foreseen to be get an important share of funds (30.00%), but much less than the needs in the area of urban regeneration. It was taken into consideration the co-financing and expertise capacity in implementing this type of very complex projects of the local authorities.

Priority Axis 2 (20.35%) – concerning the improvement of regional and local transport infrastructure the needs identified by the regions with regard to public transport infrastructure are significantly high in terms of funds because the projects for the rehabilitation/modernization of regional and local transport infrastructure are very expensive.

Priority Axis 3 (16.00%) dealing with the social infrastructure of the regions will receive 1/5 of the total ROP's funds, the projects for the rehabilitation/ modernization/ development of health care, social services, public safety and education infrastructure requiring large investments for improving social infrastructure.

Priority Axis 4 (13.00%) concerning the strengthening the regional and local business environment is intended also to receive a significant share of ROP' funds, since it is characterized by a strong regional specificity owing to the fact that boost the regional economies and labor markets by supporting the development of regional business structures and the entrepreneurship.

Priority Axis 5 (18.00%), regarding the development of regional and local tourism will benefit of a financial allocation also fully justified by the tourism potential in all Regions, but cannot be valorized because of the poor quality of touristic infrastructure or insufficient valorization of natural resources and cultural patrimony, and poor quality of the accommodation capacity, as well as in the case of other specific services.

The remaining 2.65% of the total amount is allocated to the Priority Axis 6 -Technical Assistance, for supporting the implementation, overall management and evaluation of the ROP, but also the publicity and information activities of the ROP.

The indicative Regional allocation of the funds will be made based on GDP/inhab and adjusted with population density, specific to each region. The use of the GDP/inhab is justified by the fact that it represents the most efficient and used indicator in EU because it reflects the development level of a region. The Regional Operational Program aims at a balanced development of all the Romanian regions. Taking into consideration the ROP global objective, the regions with a low level of the GDP/inhab will benefit of a greater share from the total funds of the Programme. As regards the population density index, it was used to compensate the more prosperous regions, which attract large flows of population (both permanent and temporary).

The indicative allocations will be regularly reviewed by the ROP Monitoring Committee and revised where justified taking into account the identified needs of the regions and their capacity to effectively absorb the funds.

Categorisation

ROP contains the indicative breakdown of funds allocation by categories (Annex 5 of ROP), in line with the provisions of Articles 37, par.1 (d) and according to the Commission Regulation No 1828/2006. The categorization represents the ex-ante estimation on how the funds allocated under ROP are intended to be spent according to the codes for the dimensions 1 (Priority Theme), 2 (Form of finance) and 3 (Territory type) of the Annex II of the Commission Regulation No 1828/2006. This information will help the Managing Authority to monitor the programme implementation by investment categories and to provide to the Commission uniform information on the programmed use of the Funds in the annual and final implementation report (ex-post information), according to Art. 67, Council Regulation No 1083/2006.

According to the NSRF, Romania is committed to contributing to the achievement of Lisbon goals and regards the principle of Lisbon earmarking as an important tool for monitoring at

national and Community level the actual performance in gearing Structural and Cohesion Funds towards Lisbon-related areas of intervention.

The indicative level of Lisbon expenditure under ROP is estimated at about 15.60% of the total allocation of EU funds, according to the categories listed in Annex IV of the Council Regulation No 1083/2006. Nevertheless, the Romanian authorities consider that ROP has a much more important contribution to the Lisbon objectives than it is reflected in the Lisbon earmarking codes, as explained in the previous chapters.

* The categories should be coded for each dimension using the standard classification.
** Estimated amount of the Community contribution for each category.