



Propuneri de reformă și de investiții și punerea lor în aplicare în statele membre – care este opinia societății civile organizate?

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Reprezentanța Comisiei Europene în România, str. Vasile Lascar, nr. 31, 020492 București, România

The organisers of this round table:

- European Economic and Social Committee (EESC) with the support of the Romanian Economic and Social Council

Description

This round table was organised as part of the consultation carried out by the EESC's European Semester Group (ESG) for the preparation of an own-initiative opinion entitled Reform and investment proposals and their implementation in the Member States: the views of organised civil society (2023-2024 cycle of the European Semester) (ECO/631). With this opinion, the ESG is now continuing the work begun in 2021: consulting national economic and social councils, the social partners and civil society organisations in the EU Member States on a key subject of the European Semester. This consultation focuses firstly on the reform and investment measures in the Member States, in particular those based on the [2023 country-specific recommendations](#), and on their implementation, in order to assess the effectiveness of these measures and the possibilities for better targeting of proposals, improved implementation and monitoring, and the involvement of organised civil society in the procedures. Secondly, it also focuses on issues relating to the ongoing [review of the EU's economic governance rules](#), the central objective of which is to strengthen public debt sustainability while promoting sustainable and inclusive growth in all Member States through reform and investment. Lastly, the EESC intends to continue previous consultation exercises by examining the state of implementation of the reforms and investments provided for in the national recovery and resilience plans and which are financially supported by the [Recovery and Resilience Facility](#) funds.

The results of this consultation will be summarised in an EESC opinion, also set out in an annex, in which the Committee continues to promote a more participatory European Semester and economic governance framework, with greater ownership at national level and closer involvement of organised civil society.

This round table addressed the following questions (taken from the questionnaire on which this consultation is based):

- ***The reform and investment measures in the Member States, in particular those based on the country-specific recommendations 2023¹, and their implementation;***
- ***The reform of the EU's economic governance rules;***
- ***The implementation of the reforms and investments provided for in the national recovery and resilience plans.***

¹

For a quick overview of the CSRs for your Member State, please consult the [country-specific recommendations database](#) established by the European Commission Recovery and Resilience Plans in the 2023 European Semester (europa.eu).

Report

Introduction:

- **Petru Sorin Dandea and Elena Calistru** opened the round table, welcoming the participants and giving a brief explanation of the European Semester and the opinion in which the conclusions of the round table will be included.
- **Ramona Chiriac** (Head of the Representation of the European Commission in Romania), host of the event, reviewed the achievements of the Representation in the context of the multiple crises and the role of the social partners in the European Semester and the importance of support for SMEs.

Statements by the Members of the European Parliament:

Siegfried Mureşan (PPE):

- Mr Mureşan explained the EP's position on the European Semester, the Recovery and Resilience Facility (RRF) and its six pillars.
- Absorption is relatively good, Romania is among the eight Member States that got the refinancing on time, it received EUR 9.9 billion (two tranches).
- The EP advocated an inclusive approach in which the participation of government and CSOs, but also of the local/regional level, guarantees legitimacy and improves absorption.
- It is important to listen to civil society.
- The conclusions on the functioning of the Recovery and Resilience Plan (RRP) and thus the ongoing opinion will serve as lessons for future, much-needed new programmes and funds.

Victor Negrescu (S&D):

- Mr Negrescu underlined the efforts made by the Romanian government in the implementation, including in the modification of the RRP (new chapter on energy), and the good level of absorption.
- This is the result of the social dialogue between the European institutions and civil society and of a correct implementation of the Semester, including the specific recommendations for Romania.
- The EP has been looking for levers to make the mechanism of country-specific recommendations more effective and consistent, so that they do not remain merely a document, and to move from a surveillance-based approach to an instrument with a positive connotation.
- Civil society can influence this with concrete, tangible recommendations.
- With the amendments tabled, Mr Negrescu wanted to turn the country-specific recommendations into something more concrete, accompanied by action plans, so as not to repeat the same recommendations year after year, but to propose the best solutions.
- Proposals must be balanced, as there are typically different approaches on the left and right of the political spectrum – they must be brought to a common denominator.
- Together with Commissioner Nicolas Schmit, solutions have been sought to prioritise the social component of the European Semester. The education component was also included, but needs to be more detailed. The social summits have made the social component much more visible in the Semester today.
- A new monitoring framework for the implementation of these social targets is being discussed at Council level which aims to shift the approach from a negative to a positive one.
- The profile of the European Semester needs to be raised, as it carries a very different political weight from one Member State to another.

Dragoş Pîslaru (Renew E.):

- Mr Pîslaru explained the steps taken in the EP for the social dimension to be included in the RRP, the problem being the recurrence of expenditure (for example, nursery funded from the RRP, but the adjacent costs are recurrent and therefore ineligible).
- He explained the current negotiation mechanism between the EP and the Council to redefine economic governance in the sense of social convergence.

- The update of the EP/Council cooperation protocol will also reflect the conclusions of this EESC initiative on the European Semester², including for the benefit of Romania.

Interventions by a representative of the Romanian Economic and Social Council:

Mihai Dragoş, Vice-President, Economic and Social Council (NGO group):

- Initially, the RRP included a chapter for youth, which disappeared in the final form, which was a negative signal for NGOs in the field. The ‘Youth Guarantee’ was poorly implemented.

Interventions by EESC members:

Ms Calistru explained the approach to opinion ECO/631 and the structure and content of the questionnaire.

Luca Jahier, (rapporteur ECO/631):

- Mr Jahier introduced the historical framework for the RRP, mentioning the Romanian Presidency and the close cooperation between the EESC and the institutions in the context of covid and the development of the new approach to economic governance.
- He explained the meaning of the combined questionnaire/consultation/round table approach.
- With the introduction of NextGenerationEU, a new funding path, negotiated separately with Member States, has been chosen, including six-month evaluations of results.
- It has been shown that much more can be achieved through planning that comes with incentives rather than sanctions and penalties: the essence of the economic governance reform proposal.
- The idea that social investment must be part of investment programmes has been pushed through.
- Strengthening the dimension of national ownership through closer involvement of national parliaments, regional and local authorities, social partners and civil society requires clearer provisions.
- Regarding the findings of the country recommendations, the fiscal trajectory, monitoring implementation, evaluation and on-the-fly corrections: these all need to take place with the involvement of social partners, local and regional levels. Without their involvement, the plans will not work.

Corina Murafa (EESC):

- In the field of energy, the NREAP has had a positive impact, but the devil is in the detail, implementation leaves much to be desired, consultation is essential but often lacking.
- Good consultation is an example of good practice on just transition.
- A de facto non-existent/inactive ‘decarbonisation committee’ has been created.
- Many difficult reforms (offshore, hydrogen) have been initiated and gone well.
- Carbon phase-out remains an illusion as long as Bucharest asks for postponement of timetable, subsidies continue.
- Transparency is missing: civil society learned about the Integrated Energy-Climate Plan from the press.
- Untransparent decisions on RePowerEU, which is long overdue anyway.

Ana-Maria Icătoiu (AVISSO):

- The absorption of non-reimbursable European funds in the 2014-2020 MFF appears to be very good, theoretically, exceeding 95%. It should not be ignored that there are many public projects that have not been completed by 31 December 2023 and have therefore been ‘phased’, i.e. moved to MFF 2021-2027. Basically, the actual absorption for the 2014-2020 period – which in fact was 10 years, between 2014 and 2023 – is well below the official percentages. One of the reasons for the sometimes very low interest of local public authorities is cannibalisation of European funds by national funds, with easier access to funding.

² [EESC opinion Recommendations for a solid reform of the European Semester \(ECO/600\).](#)

- It is proposed that, irrespective of the source of funds for public or private investment projects, the money should go into the same ‘envelope’ and that funding should be granted on the basis of uniform, consistent and transparent criteria.
- With regard to the MFF 2021-2027, it welcomes the decentralisation of the Regional Programme as close as possible to the final beneficiaries of European funds.
- The Regional Development Agencies have shown themselves capable of consulting relevant stakeholders in a constructive and transparent manner both at the time of the configuration of the eight Regional Programmes and now, at the time of their implementation.
- Similarly, an example of good practice is the Just Transition Programme: compared to the initial draft, the final version of the programme is much improved. The work of the JTP Monitoring Committee is good: the final version of the documents related to the call for productive investments in SMEs and for job creation is balanced.
- Requests: Formal obligation for any Managing Authority to publish the centralised document with all proposals and comments received, during the period of public debate, on the applicant guide and the evaluation grid for each call for projects (regardless of the type of beneficiary), indicating in the document the entity that made each proposal/comment. Additionally, formally oblige any Managing Authority to publish in real time during the submission period, for each call for proposals (regardless of the type of beneficiary), the number of applications submitted, the total budget allocated to the call in question, the total amount of grants requested in the applications submitted, the theoretical budget remaining available, the number of days remaining until the closing date for submissions, and during the evaluation period the status of the evaluation and the deadlines for the expected completion of the evaluation.
- Education and Employment and Social Inclusion and Social Dignity programmes respectively: alarm signal regarding the extremely long period during which the Monitoring Committee (MC) was not convened (between May 2023 and December 2023), during which time numerous calls for projects were launched whose guidelines and evaluation grids were not discussed and approved by the MC. Some calls for projects were dedicated to increasing the administrative capacity of employers, NGOs, etc., in order to strengthen and increase the quality of dialogue between them and the public system, the evaluation grid massively disadvantaged entities set up in the last few years, giving a discriminatory advantage to those that had carried out similar projects financed by European funds in the past. Thus, although, in theory, partnerships were encouraged in these calls for projects, a project leader who chose as a partner an entity set up after 2020, which did not manage to win EU funding, for example, lost points in the evaluation grid. This is even if the newly established entity could have demonstrated relevant capacity through the work carried out since its establishment and the CVs of its representatives.
- Alarm bells are ringing in relation to extremely late payments to the beneficiary, especially in the last 2-3 years. Due to administrative capacity problems related to certain programmes (e.g. Competitiveness Programme – Calls for Projects 411 and 411 bis respectively), but especially due to major problems caused by the excessive deficit in the state budget (from which the Member State’s own contribution to EU funds is ensured), there have been payment delays to both private and public beneficiaries, which have caused them critical cash-flow problems.
- Cohesion: a divide in economic development and living standards between different counties in the same region. Although cohesion policy was supposed to balance GDP per capita to the European average among all regions of the European Union, it has been found that the differences between regions and, moreover, between counties in the same region have increased rather than decreased, and not only in Romania.
- There is concern about the delay in launching financial instruments dedicated to the private sector, given that no such instrument under the RRP has yet actually reached SMEs. There is also concern and disappointment about the call for the digitisation of non-IT SMEs, although there has been talk about the need for this funding since summer 2020, the evaluation stages have not yet been finalised. It is also considered unacceptable to delay the selection of hospitals receiving RRF funds for infrastructure works: this will mean that a large part of the amount allocated to the Health Component of the RRP cannot be spent, given that the final deadline for the reception of works to be settled by the RRP is 30 August 2026.

- The non-reimbursable funds for renewable electricity generation available both through the energy component of the RRP and the Modernisation Fund are dedicated to companies with significant financial resources, given that the funding is granted to companies requesting the lowest grant relative to installed capacity.
- The Romanian state should pay special attention to SMEs, especially ones that are energy-intensive due to the nature of their activity (production, processing, manufacturing, food processing), and give them access to funding that takes into account relevant aspects, and not the principle of ‘the one who can afford the highest own contribution wins’.
- There is a need for widespread ‘climate literacy’ programmes for entrepreneurs (especially those in production, manufacturing, processing and food processing), for example run by private-sector associations with state support. The Women Entrepreneurs’ Organisation has set up such a programme, which it would like to be able to implement as a pilot project in 2024.
- Although 2023 was the European Year of Skills, Romania has not felt any of this dimension that our country could have benefited from. Real dialogue between the public system and relevant stakeholders on the jobs of the future is practically non-existent and the private sector is trying, with only isolated successes which are exceptions that only confirm the rule, to face the challenges of the labour market alone.

Iolanda Mihalache (PartNET):

- Partnerships need to gain speed (the example of Ukrainian refugees).
- There is a need to create transparency platforms including all funding applications (Hungary model).
- Guidelines are complex, conditions often complicated (co-funding), leading to drop-out due to administrative burden.

Mihai Vîlcea (Youth Foundation):

- NGOs are not eligible for energy efficiency measures.
- The budget allocated to young people is less than the contributions paid.
- No youth component has been taken into account in the just transition chapter.
- Climate literacy has no source of funding.

Ana Maria Pălăduş (REPER21):

- PNRR looks only from an investment perspective, training and capacity building is missing, citizens do not know what climate issues mean, resilience.
- ‘Green schools’: calls for sustainability plans, no consideration of existing facilities (should they be thrown away?).
- Energy transition does not mean replacing existing energy sources, but adding to ensure sufficiency: explanations of this are lacking in Romania.

Iulian Oneaşcă (European Institute):

- The quality of the PNRR documents is to be appreciated, implementation problems are natural.
- The economic/social dichotomy should be put to an end, and the political and legislative factor should not be ignored: do all the measures in the RRP take into account the need for defence, which has arisen as a result of the war on Europe’s borders?
- There may be a need to reposition the whole European structure.

Mircea Meriacri (Romanian National Youth Council):

- Mr Meriacri underlined the value of the Youth Test, but noted that the structures do not cooperate with each other: the Ministry of Labour and the Ministry of European Investment should sit at the same table.
- There are overlapping competences in the youth field.

- There is no monitoring of youth legislation and proposals to generate targeted interest from youth NGOs.

Raluca Şerbănică (WWF):

- Consultations are ineffective, inter-ministerial cooperation is lacking.

Anca Stamin (Save the Children):

- Consultations on just transition were modest.
- The NGO represented has been active for 33 years, the current period is particularly difficult, there are no programmes dedicated to vulnerable children and there are no plans for the near future.
- Problem of predictability of timetables, timely publication of appeals.
- Huge welfare gaps, Romanian children particularly vulnerable.
- Lack of synchronisation of appeals, it is difficult working with authorities due to inefficiency in submission and approval of documentation.
- The social component is ineligible in the RRP, so NGOs cannot become project partners.
- Too short duration makes participation in a programme impossible.

Adrian Ovidiu Teban (CoR):

- The RRP does not sufficiently reflect the local sphere, it remains fixed on the national level; the local level has not been sufficiently consulted.
- Cost assessment within own contribution is no longer valid due to price increases and a 50% own contribution is too heavy a burden for the local level.
- Payments are long overdue and smaller towns only have the possibility to build bike lanes when the needs of citizens are completely different.

Cătălin Niţă (Oil and Gas Employers Federation – FPPG):

- The conclusions drawn at this round table should be reflected in the EESC opinion.
- There is a lack of integration between the Commission and the national level of governance: many strategies have been written, ministers have changed, consultations have often been purely formal at ESC level.

Costel Bercuş (Code4Romania):

- Digitisation is on track, the NGO has been consulted on the RRP, we have indicated the priorities.
- Conceptual errors are made when writing the guidelines.
- Increasing trust is not achieved by mimicking dialogue.
- It is necessary to move from formal provisions to action.

Conclusions from Ms Calistru and Mr Dandea:

- There is still reluctance to participate in RRP projects, fears (audit) or lack of experience.
- After 17 years of EU membership, massive investment still needs to be made in educating entrepreneurs: 60% of SMEs outsource e-invoicing as it is considered too complicated.
- Lack of infrastructure: the largest wind farm is not sufficiently connected to the national grid, Transelectrica is not investing.
- There is a lack of institutional capacity to come up with coherent solutions, there is no correlation of strategies.
- When pressure was put on the government, some strategic documents were reversed, so it can be done.
- We have mechanisms that work well, but there are dysfunctions (payments).
- There is an urgent need to improve social dialogue, which must no longer remain a dialogue of the deaf.

It is recommended that a unit/institution be set up to coordinate civic dialogue, there are plans at Commission level to set up a number of new institutions.
