

THE ABSORPTION OF EUROPEAN FUNDS FOR THE ROMANIAN ENVIRONMENTAL SECTOR

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Abstract

This paper shows the impact of grants on the importance of access to funds to protect the environment and the structural funds absorption environmental sector in Romania.

Study research methodology is based on references to achieve the objectives pursued in this article.

Key words: *European funds, absorption, access grants, environment, finance*

JEL Classification: M₄₂

Introduction

Environmental protection has emerged as humanity's only problem today, that when man conquered the entire area of the Earth, favorable life. Now, wealth and energy resources have been affected to such an extent that it sees the rapid depletion of some of them, and some essential conditions of human existence as water or air, signs of poisoning. Deduct the possibility that the future of humanity is questioned, if course not taken action to protect the planet. The man understood that he is part of nature, the Earth and its resources are limited, that the planet functions as a system and that the disturbances produced in one place can have repercussions for the entire circuit, including humans. Humanity can't give up but at high rates of economic development. The way to achieve these rates, while maintaining good environmental quality is exploitation so that they can regenerate and conserve the time.

Environmental protection initiatives first appeared about 200 years ago, the need to save endangered species. In time, reasons for the nature protection have diversified.

Since 1970, there were clear signs of disease on the planet: ozone depletion, global warming, acid rain, water pollution, air and soil. People began to understand the need for responsible behavior towards nature. But man's responsibility for

protecting the environment is so individual, especially collective: Nature undertake cooperation and mutual support local, county, national and especially international (Serban, 2011).

By joining the European Union, Romania has structural and cohesion funds, financial instruments designed and contribute to reducing economic and social disparities between EU Member States. For environmental infrastructure development and expansion, Romania benefits from the European Regional Development Fund and Cohesion Fund.

European Regional Development Fund to help eliminate regional imbalances in the Community, reducing the gap between the development levels of various regions and by leveling the less favored.

Cohesion Fund supports Member States to reduce differences in economic and social development and stabilize the national economy.

Accessing EU funds is subject to the preparation by Member States of official documents indicating areas for financial support from the EU.

EU grants allocated to certain countries through various programs. In Romania these funds for environmental protection are achieved through the Sectorial Operational Programme Environment.

Environment Sectorial Operational Programme is the document that sets strategy for the allocation of European funds for the environment sector in Romania, 2007-2013. The program was approved by the European Commission on 11 July 2007.

The total budget of SOP is about 5.6 billion euro, of which 4.5 billion is grant of the European Union and over 1 billion Euro national contribution is. The program was developed by the Ministry of Environment, as Managing Authority for SOP (SOP Environment). The program period is 2007-2013, its objectives and development needs of Romania after 2013, with investments that lay the foundations of sustainable development in environmental infrastructure.

SOP Environment

Environment Sectorial Operational Programme (SOP) is closely linked to national strategic objectives set out in the National Development Plan (NDP) 2007-2013 and developed the National Strategic Reference Framework (NSRF), which is based on the principles, practices and objectives pursued at EU level. SOP is designed to lay the foundation and catalyst for a more competitive economy, a better environment and more balanced regional development. SOP is based on the objectives and priorities of environmental and infrastructure development of the European Union, reflecting both Romania's international obligations and the specific national interests. SOP continues the development of the environmental infrastructure at national level. Strategies were initiated in the pre-accession assistance, in particular the Phare and ISPA. In addition to infrastructure development through SOP is aimed at establishing effective management structures of the relevant services in terms of environmental protection. Also, SOP interventions in areas far less discussed, and efficient urban heating systems, risk prevention, reconstruction or implementation of Natura 2000 management plans.

The overall objective of SOP is to protect and improve the environment and living standards in Romania, aiming at compliance with the environmental acquis.

The objective is to reduce the gap between European Union and Romania on environmental infrastructure in terms of both quantity and quality. This should be translated into effective public services, taking into account the principle of sustainable development and the principle of "polluter pays".

SOP Specific objectives are:

1. Improving quality and access to water and wastewater infrastructure, by providing water supply and sanitation in most urban areas by 2015 and the establishment of effective regional structures for the management of water / wastewater.

2. Development of sustainable waste management by improving management and reducing the number of historically contaminated sites in at least 30 counties by 2015.

3. Reducing negative environmental impact and mitigation of climate change caused by heating systems in most polluted localities by 2015.

4. Protection and improvement of biodiversity and natural heritage by supporting protected areas management, including the implementation of Natura 2000.

5. Reducing the risk of natural disasters affecting the population, by implementing preventive measures in most vulnerable areas by 2015.

Technical Assistance (TA) will support the implementation and monitoring program and will contribute to achieving global support and specific objectives.

The program covers the period 2007-2013, but its objectives the development needs of Romania after 2013, by laying the foundations for sustainable economic development. POS will help fulfill the obligations that Romania has in the environment sector, offering investment opportunities in all regions of the country. The starting point for POS is the analysis of the current situation of the environment in Romania.

This is followed by the SWOT analysis, which is built based development strategy. SOP contains a description of the priority axes, areas of intervention and identification of projects and provisions for implementation.

Develop SOP was developed by the Ministry of Environment and Sustainable Development, as Managing Authority for SOP Environment, under the Ministry of Economy and Finance, the Authority for Coordination of Structural Instruments in collaboration with central, regional and local authorities and other partners involved in this field.

SOP is one of the seven operational programs under the "Convergence" objective for the programming period 2007-2013. SOP has been prepared in accordance with the third priority of the NDP 2007-2013 – "Protection and improvement of the environment", and the NSRF Priority 1 – "Development of basic infrastructure to European standards". SOP contains essential elements for successful implementation of the NDP and NSRF in environmental protection, basic objective is to promote sustainable development of the country.

Given the connection link between the environment and other economic and social sectors, SOP has been developed in close conjunction with other operational

programs and has taken into account to avoid duplication, achieve complementarity between programs and compliance with the Lisbon objectives.

SOP Development has considered the provisions of the communitarian acquis concerning the general procedures for the management of EU funds in 2007-2013, as provided for in Council Regulation (EC) Nr. 1083/2006 laying down general provisions on the European Regional Development Fund, European Social Fund and Cohesion Fund, repealing Regulation (EC) Nr. 1260/1999 and Commission Regulation (EC) Nr. 1828/2006 which lays down rules for the implementation of Commission Regulation no. 1083/2006 and Regulation Nr.1080/2006.

Funding areas to be supported by SOP Nr. 1080/2006 comply with the Regulations of the European Parliament and the Council on the European Regional Development Fund and Council Regulation Cohesion Fund no. 1084/2006. National and EU regulations and plans and programmatic environmental documents were also used in the preparation of SOP Environment.

Financial needs assessment for environmental investments

In the process of developing plans to implement the environmental acquis, MESD has assessed investment needs to comply with EU environmental legislation in 2018 (coinciding with last year transition period granted to Romania) about 29 billion euro, of which approx. 18 billion is needed over the next seven years.

PHARE Technical Assistance for Environmental Assessment of costs and investment plans (RO 0107.15.03) project completed in 2005, confirmed the estimated cost already added additional estimates for operating costs increased. These estimates will be regularly updated once the detailed investment plans will be available in each region / county.

For 2007-2013, Romania intends to contribute about 4.5 billion FSC investment in the environmental contribution is well below the estimated needs for the same period.

The strategy also recommends measures to strengthen administrative capacity to mobilize private sector development and increase capacity of the portfolio of projects and to mobilize funds to finance projects at national and regional level.

The absorption of EU funds for environment of Romania

Romania's EU allocates the amount of 4512.47 million for the Sectorial Operational Programme Environment 2007 - 2013. By Romania on March 18, 2011 according to data published on the website of the Romanian government, has absorbed only 8.18% (e.g. EUR 369.28 million) of the total allocation for SOP Environment, as shown in the table below.

Absorption of fund grants

Operational Programme	UE allocation of funds (millions of euro)	Payments to beneficiaries (millions of euro)	Payments to beneficiaries (millions of euro)	Unabsorbed funds (millions of euro)	Unabsorbed funds share	Unabsorbed funds share
POS Transport	4.565,94	474,88	113,93	4.452,01	97,50	2,5
POS Environment	4.512,47	1.539,28	369,28	4.143,19	91,82	8,18
PO Regional	3.726,02	3.064,01	735,07	2.990,95	80,27	19,73
POS human resource development	3.476,14	2.567,30	615,91	2.860,23	82,28	17,72
POS economic competitiveness	2.554,22	1.291,84	309,92	2.244,30	87,87	12,13
PO administrative capacity	208,00	55,91	13,41	194,59	93,55	6,45
PO technical assistance	170,24	52,85	12,68	157,56	92,55	7,45
TOTAL	19.213,04	9.046,07	2.170,21	17.042,83	88,70	11,30

Source: www.gov.ro

As can be seen from the table 2 below to 30 July 2011 for SOP Environment 440 234 projects submitted were approved, of which 208 projects were financed with the amount of 2077.56 million.

SOP number of projects is only 1.52% of the total number of projects submitted and the total projects submitted, only 53.19% were approved.

Situation of projects submitted, approved, contracts and payments during 2007 – July 30, 2011

OPERATIONAL PROGRAMME	PROJECTS SUBMITTED	PROJECTS APPROVED	Agreement / decision FINANCING	PAYMENTS TO BENEFICIARIES (total million)
POS Transport	96	51	46	552,02
POS Environment	440	234	208	2 077,56
PO Regional	7 833	2 190	1 855	3 814,34
POS human resource development	10 166	2 894	2 116	3 209,84
POS economic competitiveness	9 037	2 730	1 859	1 538,91
PO administrative capacity	1 305	332	315	76,18
PO technical assistance	87	74	69	72,92
TOTAL	28 964	8 505	6 468	11 341,77

Source: www.gov.ro

From table no. 2, we can see that the SOP is ranked second to last place on the submission of projects for the absorption of EU funds grants. Filling a small number of projects like environmental program may be a consequence of the fact that companies can access these funds is relatively low in Romania. Most beneficiaries can access these funds is the Romanian state institutions namely Intercommunity Development Associations (IDA) represented by regional operators, Intercommunity Development Associations (IDA) represented by the County Councils, local authorities or, in some cases, the service operators district heating, administrators and custodians of protected areas, Regional Environmental Protection Agencies (REPA's), Environmental Protection Agencies (EPAs), public authorities, NGOs, research institutes, universities, museums; National Administration "Romanian Waters" (ANAR) is the sole beneficiary of the project financing for the sector. From here the authors draw two conclusions:

1. Whether those responsible for accessing funds are not competent for the position they hold;
2. Whether the Romanian state is not interested to give people a cleaner environment.

Conclusions

The environment provides us the necessary conditions of life, but it depends on us whether we want to use these as useful or essential if we want to bypass this aspect of our lives. Planet pollution worsens by the day and it seems that although we can attract a lot of European funds to improve the environment, authorities do not give much interest this harmful process. The transition from being a simple ecology scientific discipline problem in the common consciousness, national and international, is a sad reality today, when the natural balance of the entire planet destruction is imminent. Fight against pollution entire planet require international collaboration and cooperation and therefore depends on us if we live in a clean, healthy and unpolluted.

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