

Draft country programme document for Romania, 2010-2012

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Introduction

The Country Program Document (CPD) for Romania has been prepared at the request of the Government of Romania to respond to national priorities following EU accession. The CPD spans the 2010-2012 period. It is aligned with the priorities of the National Development Plan (2007-2013) as well as with the work plans of the UN agencies, notably the UNICEF Country Program for 2010-2012.

The CPD is UNDP's programmatic response to a transformed UN presence in Romania. This transformed presence includes inter alia hosting by Romania of a number of UN operations. The CPD thus also represents the UNDP role in UN coordination through the Resident Coordinator. The Government of Romania and the UN system will further ensure coordination of UN system operational activities in Romania through a framework agreement to be further developed.

The CPD responds to the unique situation of Romania as an EU member state and is the instrument through which UNDP can respond to the Government's request for hosting in Romania a systematic UN operational presence which is a hub for international cooperation and development knowledge through UNDP support to the RC function. The CPD for Romania is unique in that it is aligned to new thinking on the role of UNDP in middle income countries and positions Romania as a host country for a UNDP program which goes beyond the traditional "north-south" divide between aid receiving and donor countries. The CPD instead positions Romania as a receiver and provider of development knowledge and experience. The national leadership and ownership for the CPD is provided by the Ministry of Foreign Affairs on behalf of the Government of Romania. Stakeholder consultations have taken place in November and December 2008 and in January 2009 and the CPD outlines have been shared with UN agencies, lead donors and national counterparts.

Part I: Situation Analysis

- 1.1. Romania joined the European Union (EU) on 1 January 2007 following a pre-accession period which saw fundamental reforms towards deepening democratic and market economy practice. Following accession, the country qualified for access to substantial EU structural and cohesion funds of Euro 19.7 billion for the period 2007 – 2013, which includes provisions for the promotion of social inclusion.
- 1.2. **Poverty** persists, with 13.8% of the population living below the poverty line (as of 2007). Two-thirds of Romania's poor live in rural areas despite the country's substantial potential in agriculture, forestry, and fisheries. The **Roma** are at risk of social inclusion and experience the highest incidence of poverty in the country. The national strategy for Roma inclusion has been formulated in 2007, although full implementation of the strategy and monitoring by social partners has not been entirely achieved. Successful programs targeting Roma inclusion are needed not only for Romania's own social inclusion goals but also for the benefit of other countries facing challenges of Roma inclusion. The Decade for Roma Inclusion provides a useful international collaboration framework in this regard. The **disabled**, and young people **leaving institutional care**, continue to be defined as vulnerable groups who need further social policy attention.
- 1.3. Labor market challenges persist, despite the apparently low levels of **unemployment**. Active labor market programs have not been fully successful in integrating vulnerable groups, while population dynamics, notably **migration**, continue to distort labor market dynamics. Business practices for women in employment, including work-life balance solutions, have not met European standards. The global economic downturn in 2009 is expected to impact Romania by reduced remittances from workers and by further exacerbating the living conditions of the rural poor and Roma.
- 1.4. Although **gender equality** is achieved in key social development areas (education, health and employment), democratic deficits in representation are acute for gender equality and possibly run along ethnic lines.
- 1.5. EU membership also poses new challenges and opportunities for Romania to enter into a new sphere of relations with the international development community. Development cooperation is a shared competence with the EC and consequently the Government of Romania, along with other new EU Member States, aims to achieve the goal of allocating an 0.33% of GNI by 2015 for development assistance (ODA).
- 1.6. Indeed, Romania is poised to play a lead role among the new member states in advancing this goal, and in contributing towards the global achievement of the MDGs by becoming more active promoting global public goods and governance institutions. Similarly, the Government links its growing development cooperation role to efforts to promote **regional and national public goods**, through regional leadership in trade, energy supply, environment and peace and security.

Part II. Past cooperation and lessons learned

- 2.1. The UNDP Country Program Document for the period 2005-2009 focused on three program objectives: (i) capacity building for democratic governance; (ii) environmental governance; and, (iii) economic growth and poverty reduction. Delivery through end 2008 has been approximately USD23million, falling somewhat short of the USD38million target for the entire period.
- 2.2. In this context, for the objective of building capacities for **democratic governance**, UNDP has contributed to public administration capacity through partnerships ranging from the highest level of government, the Presidential Administration, to local levels where civic engagement in sustainable development planning and programming has been supported through the Local Agenda 21 program, which now spans practically the whole country. Civil service

- capacities have also been enhanced through the training of civil servants at prestigious learning institutions in Western Europe through partnership with the Ministry of Education.
- 2.3. The rights of people with **HIV/AIDS** and victims of **trafficking** have been promoted through partnership projects with the relevant National Agencies. In the area of human rights of vulnerable groups, UNDP has supported the work and program implementation of the National Agency of Roma and key non-governmental actors, through programs supporting local level empowerment of minorities through economic development.
 - 2.4. **Socio economic development**, with a view to support economic integration of Romania's less developed regions and sectors with EU markets, was also supported by the UNDP through a series of programs providing business development and incubation services for enterprises. Local area development initiatives, combining efforts to rehabilitate urban environments and cultural heritage have been supported through partnerships with local authorities and the overall coordination of the Ministry of Development and Public Works, through the flagship program Beautiful Romania.
 - 2.5. Through the programming period, the UNDP supported the capacities of the newly established natural parks administrations and promoted innovative approaches for **environmental protection** in the country's less developed and remote regions of Maramures and Macin Mountains.
 - 2.6. The UNDAF mid-term review exercise conducted in 2008 points at the continued relevance of UNDP support to national capacity development for environmental management and social and economic development at national and local levels, highlighting the strengths of UNDP's partnerships at local levels as critical success factors.
 - 2.7. An important experience during this programming period has been the annualized nature of Government Cost-Sharing contributions, available as per the applicable budget regime only towards the middle of the calendar year with need to finalize all planned project activities by year end. This has reduced the possibility for stock taking and evaluations which would have strengthened progressively the impact of the programming in each successive year. Consequently the positive impact on capacity development of partner national agencies has not been systematically accumulated. Similarly the brevity of actual project implementation has detracted from sustainability and year-on-year accumulation of programmatic impact. The need for more systematic capacity development interventions and monitoring; along with sustained program implementation year-on-year have begun to be addressed towards the end of the programming period through more rigorous multi-annual programming and efforts to ensure a year round funding base in cost-sharing arrangements.
 - 2.8. Furthermore, UNDP's programmatic partnership with the Government has not been fully integrated into the larger areas of national programming and planning within the context of EU policies and instruments, especially those targeted at gender equality and social inclusion. This integration has been sought towards the end of the programming period (in end 2008) through better alignment of the country program results with European programming instruments.
 - 2.9. Also towards the end of the past program period, and in line with the broader objective to align UNDP program to exigencies of EU accession, UNDP supported the Government's ODA policy and programming by provision of critical capacity development interventions, including for enhanced legislative frameworks for ODA delivery.

Part III: Proposed Program

Strategic Objective

- 3.1. The Government of Romania notes an important link between its emerging and growing international development cooperation, through bilateral and multilateral official development assistance and its cooperation in Romania with the UN system, and sees the UNCT as a repository of development cooperation knowledge and capacity. Conversely, UNDP and other UN agencies in Romania consider that Romania's 20 years of intense societal and institutional reform gives it valuable and relevant experience to share in regional and global cooperation. The Government's overall priority for cooperation with the UN in Romania is the advancement of Romania's role in international development cooperation in accordance with Romania's geopolitical and strategic position and profile as an active and responsible member of the European Union and international community.
- 3.2. The Country Program is unique in that it responds to the explicitly stated interest of the Government of Romania to become a responsible and proactive actor in multilateral and bilateral international assistance. At the end of the programming period, the Government of Romania will have at its disposal, a Romania-UN(DP) cooperation model which will be the knowledge and international networking base for Romania's contribution to internationally agreed development goals. At the end of the programming period, a "new model of cooperation" between an EU member state and UNDP will have been fully implemented and the institutional, governance and funding mechanisms for such a new model will have been tested. The Government of Romania will have pioneered a new model of cooperation with UNDP which can be a model for other new EU member states in how to cooperate with the UN in advancing the goal of increased participation in international development arena, in line with the applicable EU policy on multilateralism and ODA, by hosting in Romania a centre of development knowledge and excellence supported by the UNDP and UN Country Team.
- 3.3. At the end of the programming period, Romania's ODA focus will have extended from the three priority countries at present, to broader coverage of other regions in line with foreign policy objectives and persisting developmental shortcomings of potential Romanian ODA recipient countries (e.g. in Central Asia).

- 3.4. At the end of the program period, Romania will be host to a “center of excellence” in development cooperation which compiles and codifies the capacities of civil society, local authorities and a network of national authorities for benefit of development cooperation at a global scale
- 3.5. The proposed program will achieve this through three mutually interlinked country program outcomes that will increase its aid management capacity and contribute to inclusive globalization in a sustainable manner. The program objectives constitute UNDP’s support to Romania to overcome its development challenges for the country to meet its EU accession commitments:

Capacity Development for Romania’s International Cooperation and Aid Effectiveness

- 3.6. In line with Romania’s national objective to become a lead and responsible actor in international development platforms, UNDP will go beyond supporting the delivery of Romania’s ODA to other countries, and embark on an ambitious program whereby the institutional, legal and regulatory framework of the country are reformed for Romania to play a leading role in the region in development cooperation. This will be achieved by capacity development interventions geared at channeling Romanian ODA to globally agreed development goals, notably the MDGs, through mechanisms that leverage Romania’s recent transition experience. In this context, drawing on the diverse and dynamic civil society, private sector and decentralized administrations’ knowledge and experience will underpin UNDP’s program strategy. UNDP will thus contribute to an inclusive globalization processes through enhancing the targeting, relevance and effectiveness of Romania’s ODA and international cooperation, in line with the Paris Aid Declaration objectives in support of the MDGs. Success factors will include the percentage of Romanian development cooperation support for gender equality objectives as harbored in the MDGs.
- 3.7. Furthermore, UNDP will assist its national partners to share Romania’s development experience with developing countries through building capacities for national development-knowledge management. National institutional capacity for development-knowledge management and sharing increased for the benefit of global development efforts will be supported through the establishment of a “new model of cooperation” between an EU member state and the UN(DP) whose governance and institutional structure will be determined in the course of the CPD. UNDP will support its national partners in identifying and then codifying its development experience that will be of relevance to the needs of other developing countries and development practitioners, including with focus on gender equality..

Capacity Development for Romania to contribute to the promotion and protection of global and regional public goods

- 3.8. The paradigm of Global Public Goods (GPG) is increasingly entering the global development agenda as a possible prism through which to view relations between aid recipient and donor countries. The Government of Romania notes that its new EU membership status and its historical tradition of playing important roles in the international arena compel Romania to increase its contribution to global and regional public goods that require partnerships with the international community and commitments.
- 3.9. The Government of Romania notes that its new EU membership status and its historical tradition of playing an important role in the international arena compel Romania to increase its contribution to global and regional public goods that require partnership with the international community and commitments.
- 3.10. To this end UNDP will support Romania’s partnership with countries in the region, starting with neighboring and ODA priority countries to design and implement creative cross-border cooperation programs that leverage structural funds in Romania and ODA funding for cross border programming, to protect and promote GPG. . Programmes will focus on, for example,, biodiversity, climate stability (i.e. change adaptation and mitigation mechanisms) and shared cultural heritage.
- 3.11. The UNDP will strengthen the capacities of the relevant environmental stakeholders (government authorities, civil society, private sector) to mainstream biodiversity conservation into national and sectorial development plans and assess the real value of global public goods i.e. biodiversity, climate stability and cultural heritage as a means for informed policy and decision making that is shared with other countries. In particular, the Danube Delta Biosphere Reserve, the Lower Prut basin and the Carpathian Mountain ranges will be the main focus of cross border programming efforts to protect and promote biodiversity and cultural heritage whilst UNDP work in Black Sea Basin will be mainly focused on promoting climate stability i.e. climate change adaptation.
- 3.12. UNDP will also support Romania’s enhanced participation in Black Sea Basin environmental management. In so doing, adaptation to climate change and natural disaster reduction and emergency preparedness will be prioritized in cooperation with participating countries. Furthermore, emergency preparedness and response with regard to natural disasters will be further promoted with a view to establish cross-border and shared mechanisms to mitigate the impact of natural disasters, e.g. floods. Romania’s strong track record of cooperation with UNDP in emergency response in the past, and successes of past programs will be leveraged for Romania’s increased participation in region wide and international emergency response programs. In the Black Sea Basin the assessment of the coastal zone vulnerability to climate change will be determined and costs of corrective action will be provided as a basis for integrated regional coastal zone management and planning for natural disaster reduction.
- 3.13. Within the context of further promoting shared public goods, UNDP will work with the national authorities and civil society in the Black Sea region to link cultural heritage protection and promotion with sustainable tourism programs that will further strengthen Romania’s good neighborhood policies with countries of the region, while also contributing to local and regional economic development.

Capacity development for social inclusion, economic and political empowerment of vulnerable groups and for deepening democratic practice

- 3.14. UNDP will support social inclusion and the economic and political empowerment of vulnerable groups in Romania through aligning its programming in this area to the large scale national programs managed by national authorities with European Structural Funds and national resources. In so doing special emphasis will be given to initiatives with the potential to be adapted to the needs of Romanian ODA priority countries. Furthermore, joint programming notably with UNICEF and UNFPA will be critical strategic elements of this programming area.
- 3.15. The programming approach will be based on partnership with national beneficiaries of European Structural funds in designing and implementing strategic programs that target social inclusion of Roma, the disabled, young people leaving institutional care and gender equality, while addressing imbalances of the labor market including the challenges posed by migration.
- 3.16. Capacity development for absorption of funds by Romania will be the implementation approach. As such, the country program is an important and financially feasible instrument for the Government of Romania to benefit from UNDP and UN assistance in structural fund absorption while endowing Romania with further developmental experience and knowledge to share with other developing countries.
- 3.17. Programming in this area will first strive to support the development of public policy and instruments aimed at social inclusion, building on the experience of other UNDP Country Offices, e.g. Poland, in piloting and scaling up social economy models.
- 3.18. UNDP will build on its past experience and the regional expertise of the Bratislava Regional Centre in monitoring the situation of the Roma and piloting potentially replicable Roma inclusion programs aimed at labor market integration and rationalization of social policy instruments.
- 3.19. There will be renewed effort during the proposed program period to enhance UNDP's role as a policy advisor in social policy areas through partnerships with national and regional anti-poverty networks of civil society and expert institutions.

Part IV: Management and Monitoring Arrangements

- 4.1 The modality of program management is full national implementation. NGO implementation will also be pursued. The Coordinating Authority for the Country Program is the Ministry of Foreign Affairs.
- 4.2 Overall program success will lie in the assessment of Romania as a successful and committed partner of the international development architecture. The Government and UNDP will conduct joint annual planning and review meetings for all programme components, usually in the last quarter of each year, to review CP results and resources framework and prepare for the next year's AWP. Other UN agencies and representatives of donors and civil society may also participate in these meetings. (Annex II Evaluation Plan)
- 4.3 A more comprehensive programme review will be held jointly by the Government and UNDP in 2012 based on an evaluation at end 2011. At this juncture, the continued benefit of the UNDP Country Program and the feasibility of the "new model of cooperation" between the UNDP and an EU member state will be assessed, leading into either termination of UNDP support to Government of Romania or to decision for extending the CPD into 2015, taking also in consideration the continued programming of other UN agencies in Romania and the UNDP support to RC system requirements for the period.
- 4.4 Similarly, the resource mobilization assumptions of the proposed country program, including a dynamic portfolio of social inclusion programming with UN agency partners in Romania utilizing a broad range of funding sources will be reviewed in order to assess the financial feasibility of the proposed program continuation beyond 2012.

Part V: Resource Mobilization Framework

- 5.1. The resources mobilization framework for the proposed program is two pronged: One, involves the mobilization of the critical resources from national and international partners for achievement of the programmatic objectives. The second involves the funding for the operational presence of UNDP in Romania within the context of Romania's status as an EU member state.
- 5.2. The Government of Romania notes that its status as an emerging donor and an EU member state implies new modus operandi with the UN and the UNDP in Romania which moves from traditional country programming into a unique country program which promotes Romania's role as a responsible actor in the global development architecture. To this end, the Government of Romania wishes to continue to contribute to government funding of local office costs following the tradition of GLOC, with the proviso that the UNDP continues its international presence in Romania in order to achieve the country program objectives and provide coordination of the UN country team and UN system presence in Romania.
- 5.3. The financial basis of the programmatic and the operational presence of UNDP in Romania is predicated on large levels of national ownership and contribution, akin to Net Contribution Countries arrangements, however with developmental results that would be achieved in Romania with future consequences beyond the borders of Romania to support global development platforms and other developing countries (Annex III Resources).