



**Executive Board of the  
United Nations Development  
Programme and of the  
United Nations Population Fund**

Distr.: General  
29 March 2004

Original: English

**Annual session 2004**

14 to 23 June 2004, Geneva

Item 5 of the provisional agenda

**Country programmes and related matters**

**Draft country programme document for Romania (2005-2009)**

Contents

	<i>Paragraphs</i>	<i>Page</i>
I. Situation analysis . . . . .	1-9	2
II. Past cooperation and lessons learned . . . . .	10-16	3
III. Proposed programme . . . . .	17-32	4
A. Links with MDGs and UNDAF . . . . .	17	4
B. Major programme areas . . . . .	18-25	4
C. Key partnerships and cooperation strategy . . . . .	26-32	5
IV. Programme management, monitoring and evaluation . . . . .	33-35	6
Annex		
Results and resources framework for Romania (2005-2009) . . . . .		7

## I. Situation analysis

1. Development in Romania today is dominated by the 'road map' for European Union accession. Pre-accession funding – approximately \$780 million committed by the European Commission in 2003 – is set to rise to approximately \$1 billion annually by 2006. Key economic indicators are on an upward trend: 4 to 5 per cent annual growth over the past several years; inflation projected at 9 per cent in 2004 (down from 45 per cent in 2000); and trade with the European Union rising by 11 per cent in 2002 alone. The most recent European Commission report on the progress of Romania towards accession issued in November 2003 ([www.infoeuropa.ro](http://www.infoeuropa.ro)) concludes that Romania is on track in fulfilling membership requirements for 2007, with twenty of thirty negotiating chapters provisionally closed. Nevertheless, the report indicates on page 7 that “overall capacity for programming, operational management and financial control remains insufficient” – a reflection that aptly summarizes the challenges facing Romania as it attempts to translate recent stability and growth into lasting human development achievements.

2. Significant challenges to achieving European Union membership remain, and human development indicators in a number of key areas are worrisome (see European Commission progress report and the common country assessment (CCA) November 2003). The country's first MDG report from December 2003 ([www.undp.ro](http://www.undp.ro)) outlines country-specific goals and targets in the areas of poverty reduction, employment, combating HIV/AIDS and other diseases, environmental sustainability and information technology.

3. With a human development index of 0.773 in 2001, Romania ranked 72 among 175 countries, according to the *Human Development Report 2003*, a level corresponding to the upper tier of middle income countries. Poverty, however, continues to be widespread and persistent: roughly one third of the population lives under the national poverty line, with the highest levels found in the northeast of the country and rural areas, according to the World Bank Poverty Assessment 2003. The minority Roma population is particularly affected. Extreme poverty stands at just 1 per cent of the total population, but the rate has

actually risen recently among the Roma, from 5 per cent in 1995 to 8.7 per cent in 2001.

4. Regional disparities are also increasing. The per capita income in Bucharest is more than double the national average and three times higher than the poorest region. Unemployment (8.1 per cent in 2002) is highest among the young (sitting at approximately 20 per cent since the mid-1990s) and particularly among those aged 15 to 24. The Roma population (estimated at 1.8 to 2.5 million people<sup>1</sup>) is also vastly underemployed and suffers from widespread employment discrimination (though not legal discrimination) and poor access to social services and job training – despite a number of government initiatives to address the problem. Romania continues to suffer from the scourge of trafficking in human beings – as a country of origin, transit and destination for victims.

5. Sustained economic growth that reduces poverty and creates jobs remains a top government objective. However, barriers to small and medium enterprises (SMEs) – which account for 41 per cent of total employment – coupled with an unstable investment climate are slowing the creation of widespread, geographically dispersed job opportunities. Entry into the SME sector is hampered by red tape and lack of financial intermediation. Building an entrepreneurial class among women (and outside of Bucharest) and diversifying SMEs away from trade and services are additional challenges. Foreign direct investment in Romania (\$7 billion from 1990-2001 vs. \$20 billion in Hungary during the same period) has suffered from poor quality of information available to investors, incomplete privatization, and investment uncertainty resulting from bureaucracy, legal instability and corruption.

6. At the root of much of the country's development and European Union accession challenges is the quality of democratic governance and, particularly, the capacity to transform laws and newly created institutions into public policy that is effectively implemented. The coordination required between various government institutions and civil society to

---

<sup>1</sup> According to the 2002 census, the official figure for the Roma population was 535 000. Estimates of the actual number – this one from the European Commission report on progress towards accession – are considerably higher at least in part because of some Roma not identifying themselves as such.

design and implement new policies is insufficient. As concluded in the CCA, substantial gaps exist between the country's legal framework for governance and the resources (financial and technical) to implement reform. For the citizens of Romania, this translates into poorly delivered public services in a climate characterized by cumbersome procedures, limited transparency and corruption. As the mandate of local counties (*judete*) grows in line with government decentralization policies, this capacity gap becomes more evident. In addition to having limited administrative capacity and a shortage of information and communication technology (ICT) and skills, local authorities are often not consulted on decentralization laws and the processes for the transfer of authority.

7. At the national level, laws are designed and adopted hastily, without adequate regard to feasibility, impact and budgetary implications. Cross-sectoral coordination and horizontal accountability among ministries is substantively limited. 'Sunshine laws', adopted with the aim of increasing participation and transparency, have yet to take hold – in part because many departments at central and local levels lack the means (or strategies) for implementing them. As a result of these many reform initiatives, government institutions at the national and central level are struggling to achieve effective coordination and build the capacity – including through enhanced ICT initiatives – to implement policy and improve service delivery. Concurrent to – and in support of – these efforts is an ongoing overhaul of public administration, including a comprehensive reform of the civil service (the civil service statute was revised in March 2003) that should tackle some of the root causes of corruption.

8. Governance shortfalls have a pronounced effect on the environment and environmental policy in Romania. The integration of environmental protection into other policies has been weak. National coordinating mechanisms – such as the Inter-Ministerial Committee – have been ineffective. Budgetary outlays and staff for environmental investments have been low to the point that the European Commission has warned that proper implementation of the environment *acquis*, or standards, is at risk. As in other sectors, new laws and regulations have far outpaced the strengthening of administrative capacity (especially at the local level), with detrimental effects on clean water supply, air

pollution, greenhouse gas emissions, the management of natural resources and energy supply/conservation.

9. The Government of Romania and the European Union have recognized that significant capacity gaps are likely to be present, even after accession takes place as expected in 2007. As in other European Union accession countries, a further transitional period of approximately three years is foreseen. The proposed UNDP commitment to Romania, which extends to 2009, includes provisions to support the government efforts to address the challenges of the immediate post-accession period.

## II. Past cooperation and lessons learned

10. The country cooperation framework (CCF) 2000-2004 focused on three programme objectives: (a) democratic governance and decentralized development; (b) enabling environment for sustainable livelihoods; and (c) support to environmental governance. Delivery through 2003 has been roughly on par with the approved budget of \$10.9 million for 2000-2004. UNDP has delivered approximately \$6.9 million in 2000-2003.

11. A Pilot Joint Mid-Term Review of the CCA and United Nations Development Assistance Framework (UNDAF) by the country team in 2001 ([www.un.ro/report.pdf](http://www.un.ro/report.pdf)) identified shortcomings with respect to joint decision-making and implementation among the country team agencies and their government counterparts. It called for the reorganization and streamlining of United Nations theme groups and the strengthening of the Office of the Resident Coordinator in order to produce a stronger second generation CCA/UNDAF. These recommendations were adopted and the country programme document is derived from the outputs of an enhanced CCA/UNDAF process.

12. Joint stakeholders' reviews (Government-UNDP, civil society organizations and other partners) have highlighted a number of key lessons and recommendations under each of the CCF focus areas that have shaped the design of this country programme.

*Major lessons – CCF focus area 1: Democratic governance and decentralized development*

13. UNDP has contributed significantly to human development policy-making through human development reports (global and national) and its early warning project. UNDP-sponsored early warning reports – self-sustainable since 2003 – were identified by a 2003 evaluation by headquarters as a best practice for the region. UNDP support to national and regional anti-trafficking measures – because of the need for cross-border coordination and networking by a neutral actor – has garnered significant support from donors.

14. Insufficient consultation with national partners and inappropriate timing – and therefore lack of shared vision and national ownership – affected CCF governance initiatives that targeted Parliament and the Ombudsman Office. On the other hand, improved government transparency and accountability has been achieved through the UNDP project to strengthen the Presidential Administration – for which the Government sought out and jointly formulated the services to be provided by UNDP.

*Major lessons - CCF focus area 2: Enabling environment for sustainable livelihoods*

15. The focus area responded to the economic crisis of 1995-1999, characterized by the worst poverty levels in a decade. As a result of improved macro-economic performance since mid-2000, UNDP has increasingly shifted towards growth-oriented approaches and away from direct poverty alleviation interventions. This is also in line with the country's Millennium Development Goal (MDG) strategy of tackling poverty through growth.

*Major lessons – CCF focus area 3: Support to environmental governance*

16. Institutional constraints, insufficient financing sources and limited diversification of fields of intervention have affected project implementation, and hampered UNDP leverage in environment policy and coordination. Alternative financing sources in addition to the Global Environment Facility (GEF) – including

the Government, bilateral donors, and the private sector – and a more diversified portfolio (water and waste management, renewable energy, climate change in addition to the current concentration on biodiversity) will allow UNDP to support policy dialogue and coordination at national and local levels more effectively.

### **III. Proposed programme**

#### **A. Links with MDGs and UNDAF**

17. The proposed country programme – anchored in the country's specific MDGs – responds to key challenges to reform and European Union accession. It is derived from the conclusions of the CCA/UNDAF process, in which HIV-AIDS has been identified by the country team as an area for joint programming and gender as a cross-cutting theme. The country programme contributes to two (of three) UNDAF outcomes. Intended country programme outcomes and inputs are summarized below and detailed in the attached results and resources framework in the annex.

#### **B. Major programme areas**

*Capacity building for democratic governance (UNDAF outcome 1): Intended outcomes and outputs*

18. The country programme will focus on strengthening coordination in policy formulation and implementation in order to bring about sustainable improvements in public service delivery. At the national and local level, UNDP will contribute to the formulation of development strategies and action plans that incorporate sustainable human development principles. National strategic policy capacity will be improved through the establishment of a permanent cross-institutional advisory group bringing together key government institutions and civil society.

19. Public sector reform and local development will be key areas of cooperation. Capitalizing on the organization's considerable experience and demonstrated results in working with local authorities,

the country programme will further strengthen decentralized development in strategic areas.

20. To improve public service delivery, and building on its successful experience working with the Presidential Administration, UNDP will promote e-government applications to increase efficiency and transparency as well as facilitate cross-institutional policy implementation. UNDP interventions will be increasingly demand-driven, with local and government institutions co-designing and co-financing activities.

21. In terms of advocacy and capacity building for protection of the rights of vulnerable groups, UNDP will focus on outputs that support policy formulation and implementation with regard to protecting victims of human trafficking and combating discrimination (with emphasis on the Roma community). The protection of people living with HIV/AIDS as well as those at risk will also be stressed.

*Environmental governance (UNDAF outcome 1):  
Intended outcomes and outputs*

22. The UNDP entry point for environment will be information-based: training, disseminating information, and helping to build structures for cross-institutional coordination. The county programme will contribute to improved environmental governance capacity at the national and local level in order for Romania to comply with European Union environmental standards and international conventions. The basic outputs to be produced with support from UNDP are two-fold: (a) to facilitate coordination for policy development and the integration of environmental concerns into other sectors (through an effective, functioning coordinating body); and (b) to build capacity and awareness – at local and national levels – on key environmental issues in order for policies to be better understood and implemented as well as to foster a sense of ownership for sound environmental decision-making among stakeholders at all levels.

23. To support the implementation of government strategies for water, waste management and renewable energy sources, UNDP will contribute to building capacity for project management, particularly at the local level, through pilot activities.

*Economic growth and poverty reduction (UNDAF outcome 2): Intended outcomes and outputs*

24. The UNDP strategy is two-pronged: to improve both economic growth and employment generation while focusing on strong social inclusion. UNDP will work to complement its proposed interventions in support of vulnerable groups with advocacy on social inclusion policy consistent with European Union accession guidelines. The aim is to align the MDG campaign with the European Union social inclusion agenda, and assist in building national capacity to monitor progress in eradicating poverty.

25. On the growth side, the country programme will focus on foreign direct investment and SME development in underserved regions. The key outputs will be comprehensive national and subregional strategies for foreign direct investment and export promotion (among SMEs) as well as business incubators for SMEs. Employment creation, including vocational training and counselling for social inclusion, will target young people and, more specifically, post-institutionalized youth (PIYA), people living with disabilities, rural women and the Roma population.

### **C. Key partnerships and cooperation strategy**

26. *Government of Romania.* As European Union accession nears and government institutions become more sophisticated (and better financed), the key UNDP implementation partner and co-financier will be government – increasingly on a demand-driven basis. Local and municipal government agencies will also be partners and targets for capacity building for planning and implementation, helping them to meet their new level of responsibilities.

27. *Multilateral donors.* UNDP will closely coordinate its interventions with key development partners such as the European Union and the World Bank in order to ensure consistency and maximize impact both in policy advice and in interventions to support national priorities in the context of European Union accession. A partnership with the European Union based on recognition of the importance of European Union

accession is key to ensuring that the UNDP niche in Romania remains relevant.

28. *Other United Nations organizations.* The main United Nations partners will be the United Nations Children's Fund (UNICEF) with regard to vulnerable groups and the International Labour Organization (ILO) with regard to employment creation.

29. *Private sector.* UNDP has a new window of opportunity to work closer with the private sector, especially in the area of environmental sustainability and socio-economic development. Many companies are increasingly taking a 'corporate social responsibility' approach to doing business, adhering to the Global Compact principles. Public-private partnerships will be the preferred modality.

30. *Bilateral donors.* UNDP will further strengthen its partnership with like-minded bilateral donors – such as Japan, the Netherlands, Sweden, Switzerland, the United States Agency for International Development (USAID), and the Department for International Development (DFID) in the Government of the United Kingdom – and will seek to expand cooperation with others.

31. *Civil society.* UNDP cooperation with civil society organizations (CSOs) has significantly expanded over the previous programming period, and has diversified to include a multitude of modalities, from civil society co-funding for UNDP projects, to project execution, to provision of expertise contracted by UNDP. Building on this momentum, UNDP will systematically consult and involve a broad range of civil society partners in programme and project design, and implementation in all fields of intervention.

32. *Future cooperation strategy.* In view of the country's planned accession to the European Union in 2007, UNDP core assistance funded by the target for resource assignment from the core (TRAC) is expected to phase out at the end of this country programming period. Beyond this period, however, UNDP technical and advisory expertise could continue to be used to leverage structural, cohesion and other funds made available to Romania to ensure equitable and sustainable development. During this period, UNDP will support Romania in its efforts to become an emerging donor and a key source of expertise for other transition countries.

## **IV. Programme management, monitoring and evaluation**

### *Monitoring*

33. A results-based management approach – as reflected in the attached results and resources framework (annex 1) – defines the outcomes, outputs and indicators to be tracked for the country programme. For specific interventions/projects, separate results frameworks will be developed in partnership with the Government and other key stakeholders.

### *Execution and implementation*

34. National execution will remain the preferred modality for the proposed country programme. The UNDP country office – fully restructured following a re-profiling exercise in 2001-2002 – remains properly equipped to carry out the country programme.

### *Resource mobilization*

35. As UNDP TRAC resources are not likely to increase, the country office in Romania will intensify its resource mobilization efforts. It has developed a resource mobilization strategy for 2004-2007 with continued emphasis on the role of UNDP as a development cooperation partner capable of leveraging resources to support and finance national priority efforts and initiatives. This will be anchored in the proven results of the existing country programme, and build on the priorities and needs of the people of Romania – taking advantage of UNDP comparative advantages. Major donors foreseen for the country programme period include the Government of Romania as a primary partner, the European Commission, bilateral donors and the private sector.

### Annex: Results and resources framework for Romania (2005-2009)\*

UNDAF Outcome 1		By 2009, administrative capacity is strengthened at central and local level to develop, implement and monitor sustainable policies and programs – emphasizing transparency, accountability and participation – in the areas of public service delivery, environmental governance and the protection of the rights of vulnerable groups.			
Programme component	Country programme outcomes, including outcome indicators, baselines and targets	Country programme outputs	Output indicators, baselines and targets	Role of partners	Indicative resources by goal (thousands of United States dollars)
Capacity building for democratic governance	<p>1. Enhanced cross-sectoral coordination and horizontal accountability in policy formulation and implementation to support transparent and effective public service delivery at central and local levels.</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Government effectiveness index (baseline: -0.54, 2000-2001, World Bank; target: -0.25)</li> <li>- Corruption perception index (Transparency International) baseline: 2.8 (2003); target 4.5</li> <li>- Trust in government (34 per cent, 08/2003, CURS; target: 50 per cent)</li> </ul>	<p>1. E-government applications functional (including ICT enhancement and institutional re-alignment centred on service delivery) in key areas of public service prioritized in consultation with the Ministry of ICT.</p> <p>2. Policy implementation streamlined, information management improved, and staff trained in key central government institutions seeking UNDP assistance.</p> <p>3. Sustainable development principles incorporated in local strategies and action plans of municipalities seeking UNDP advisory services.</p> <p>4. National strategic policy capacity developed via establishment of cross-institutional advisory group (permanent secretariat and thematic task-forces) involving key public institutions and civil society.</p>	<p>Number of key public institutions creating e-government applications with UNDP support (baseline: 1; target:5).</p> <p>Number of central government institutions benefiting from UNDP institutional capacity building (target: 4 during 2005-09).</p> <p>Number of municipalities with institutionalized consultation between local government and CSOs on socio-economic policies. Baseline: 10 (2003); target: 40.</p> <p>Cross-institutional strategic support group established with UNDP support.</p>	<ul style="list-style-type: none"> <li>■ UNDP will be advocate, broker and technical assistance provider for strategic policy formulation, implementation, cross-sectoral policy coordination and e-government.</li> <li>■ Presidency and Prime Minister's Office are key partners on strategic policymaking</li> <li>■ Ministry of Administration and Interior leads public administration reform and decentralization</li> <li>■ Ministry of ICT is main counterpart on e-government</li> <li>■ Local/regional authorities are partners and beneficiaries of UNDP interventions at decentralized level</li> <li>■ Civil society provides substantive input to strategic policymaking</li> <li>■ Netherlands is UNDP main bilateral donor for innovative governance interventions</li> <li>■ World Bank and European Union, main funders of social sector reform.</li> </ul>	<p><b>Regular:</b> 800 <b>Other:</b> 5 000</p> <p>- Government cost-sharing (including European Union and World Bank funds): 2 000</p> <p>- Third party cost-sharing: 2 000</p> <p>- Thematic trust fund: 600</p> <p>- Private sector: 400</p>
Capacity building for democratic governance	<p>2. Policies, legislation and implementation capacities to better protect the rights of vulnerable groups, including victims of human trafficking.</p> <p><i>Indicators:</i> - Number of human trafficking cases prosecuted. Baseline (2002): 625 investigated for human and organs trafficking; target: 1 000.</p> <ul style="list-style-type: none"> <li>- Political rights index (Freedom House: 2 in 2001-2002; target: 1).</li> <li>- Human rights situation (Amnesty International, Human Rights Watch). Baseline: 2002 reports.</li> </ul>	<p>1. Cooperation protocols between law enforcement authorities and civil society in fighting human trafficking developed with UNDP assistance.</p> <p>2. National anti-trafficking call-centre established.</p> <p>3. National Anti-Discrimination Council, NGOs, and other relevant public institutions strengthened to enforce anti-discrimination legislation (e.g., staff trained, exchange programs arranged, outreach and media policies developed).</p>	<p>NGO – law enforcement cooperation protocols adopted, functional and regularly reviewed/monitored.</p> <p>Call centre provides integrated services.</p> <p>Number of institutions and organizations active in promoting human rights, benefiting from UNDP technical assistance (baseline: 3 CSOs in 2004; target: 2 public institutions and 5 CSOs).</p>	<ul style="list-style-type: none"> <li>■ UNDP supports CSOs who fight discrimination, and has taken a key role in improving multi-stakeholder coordination in fighting human trafficking</li> <li>■ National Anti-Discrimination Council and other public institutions will be partners and targets for UNDP support</li> <li>■ Main government partner on anti-trafficking is Ministry of Administration and Interior</li> <li>■ Other partners: members of the national inter-ministerial anti-trafficking task force, International Organization of Migration, civil society</li> <li>■ USAID as donor</li> </ul>	<p><b>Regular:</b> 677 <b>Other:</b> 5 000</p> <p>-Government cost-sharing: 1 500</p> <p>- Third party cost-sharing: 3 000</p> <p>- Thematic trust fund: 500</p>
Environmental governance	<p>3. Environmental governance strengthened and greater compliance with European Union environmental standards and international</p>	<p>1. Inter-Ministerial Committee on environmental policy functional, members trained, partnership with think-tanks set up.</p> <p>2. Rural communities educated through</p>	<p>Number of training courses: Baseline: zero; Target: 1</p> <p>Number of pilot projects and awareness campaign for rural</p>	<ul style="list-style-type: none"> <li>■ UNDP will also act as coordinator and partially fund the campaigns and pilot project. As facilitator for GEF funds, UNDP will co-finance with govt. and other donors</li> </ul>	<p><b>Regular:</b> 400 <b>Other:</b> 5 000</p> <p>-Global</p>

\* The UNDAF results matrix is accessible at either the Executive Board web site ([www.undp.org/execbrd/index.htm](http://www.undp.org/execbrd/index.htm)) or the UNDG web site ([www.undg.org](http://www.undg.org)).

DP/DCP/ROM/1

	<p>conventions achieved. <i>Indicators:</i> - Number of inter-ministerial committee meetings. Baseline: 1 meeting. (2001-2003); target: 3 per year. - Sectoral policies/strategies integrating environmental concerns. Baseline: European Commission annual progress report 2003: ineffective. - Compliance with European Union standards and United Nations conventions. Baseline: incomplete (European Commission progress report 2003).</p>	<p>pilot activities and awareness campaigns - within local govt. water/waste projects - to encourage participation and sustainability. 3. Staff from local/central government, civil society and private sector trained on compliance with European Union standards and international conventions. Compliance plans with cost estimates prepared for each major environmental target. 4. Training, pilot projects and awareness campaigns on renewable energy targeted at local/national decision-makers and investors.</p>	<p>communities in water/waste management. Target: one campaign/topic; one pilot project.  Number of seminars. Number of compliance plans prepared for United Nations conventions. Target: One training seminar per topic and year, 3 compliance plans  Number of training courses, number of awareness campaigns and pilot projects. Target: one training course per year; one awareness campaign per topic, one pilot project.</p>	<p>projects to increase compliance with international environmental standards ■ Local authorities, professional associations and businesses will provide logistic support and services</p>	<p><i>Environment Facility: 2 500</i>  <i>- Government cost-sharing: 800</i>  <i>- Third party cost-sharing: 1 000</i>  <i>- Thematic trust fund: 200</i>  <i>- Private sector: 500</i></p>
<p><b>UNDAF Outcome 2</b>    <b>Enhanced national economic growth and reduced poverty levels among vulnerable groups through sustained social inclusion and capacity promotion by 2009.</b></p>					
<p>Economic growth and poverty reduction</p>	<p>1. Reduced poverty among vulnerable groups – Roma, rural women, youth (including post-institutionalized), people living with AIDS – through employment generation and specific interventions to promote social inclusion. <i>Indicators:</i> - Unemployment rate among 15 to 24 age group in Romania and other vulnerable groups. Baseline: 19.7 per cent - Extreme and severe poverty rates: Roma, rural women.</p>	<p>1. Employment created for youth through public works, vocational training and job counselling. 2. Establishment of sustainable social centres for disabled and other vulnerable groups; local administration trained for implementation of national social service policies. 3. Establishment of business incubators in support of SME sector.</p>	<p>Number of men/months of vocational training, temporary employment. Baseline: 240 men/months vocational training, 120 men/months employment. Target: 1 520 men/months vocational training, 2 160 men/months employment  Number of social centres established. Baseline: 0 Target: 16  Number of business incubators established. Baseline: 0.  Target: 3</p>	<p>■ UNDP is leader/coordinator in developing partnership among governments, municipalities, NGOs, donors, by restoring historical city centres, creating sustainable social centres for youth, Roma and the disabled ■ Line ministries (Labour; Culture; Education; Transport, Constructions and Tourism) are main financing/executing partners ■ UNDP supports SME sector by establishing sustainable business incubators ■ National Agency for SMEs financing and executing partner ■ Bilaterals (Dutch, Sweden, USAID) and multilaterals (Council of Europe Development Bank , World Bank, European Union) as funding partners.</p>	<p><b>Regular: 650</b> <b>Other: 15 000</b>  <i>- Government cost-sharing: 8 000</i>  <i>- Third party cost-sharing: 5 000</i>  <i>- Private sector: 2 000</i></p>
<p>Economic growth and poverty reduction</p>	<p>2. Increased foreign trade and capital inflows through capacity building of local authorities for FDI and export promotion, targeting regions with economic potential and low investment <i>Indicators:</i> - Share of total exports generated by SMEs. - FDI inflows disaggregated by region.</p>	<p>1. Effective strategies developed by central and local government level for attracting FDI; training and capacity building of local authorities. 2. Sustainable public–private partnerships (PPPs) established at the local level to improve water and sewage infrastructure. 3. Export promotion strategies developed for SMEs in industries with high foreign trade potential</p>	<p>Number of strategies developed for central and local govt. Baseline: 0; target: 3.  Number of public–private partnerships established at local level. Baseline: 0; target: 2.  Number of strategies developed for increasing export capacities. Baseline: 2 Target: 4.</p>	<p>■ UNDP will assist government to develop FDI promotion strategies ■ ARIS and Prime Minister Council for FDI promotion are financing, executing partners ■ Local government, regional development agencies, private sector, and CSOs are implementation/co-funding partners ■ UNDP supports export development, assisting Romanian Foreign Trade Centre in implementing ITC-executed projects financed by Switzerland.</p>	<p><b>Regular: 650</b> <b>Other: 5 000</b>  <i>- Government cost-sharing: 1 500</i>  <i>-Third party cost-sharing:2 500</i>  <i>- Private sector: 1 000</i></p>
					<p><b>Total: 38 177</b> <b>Regular: 3 177</b> <b>Other: 35 000</b></p>