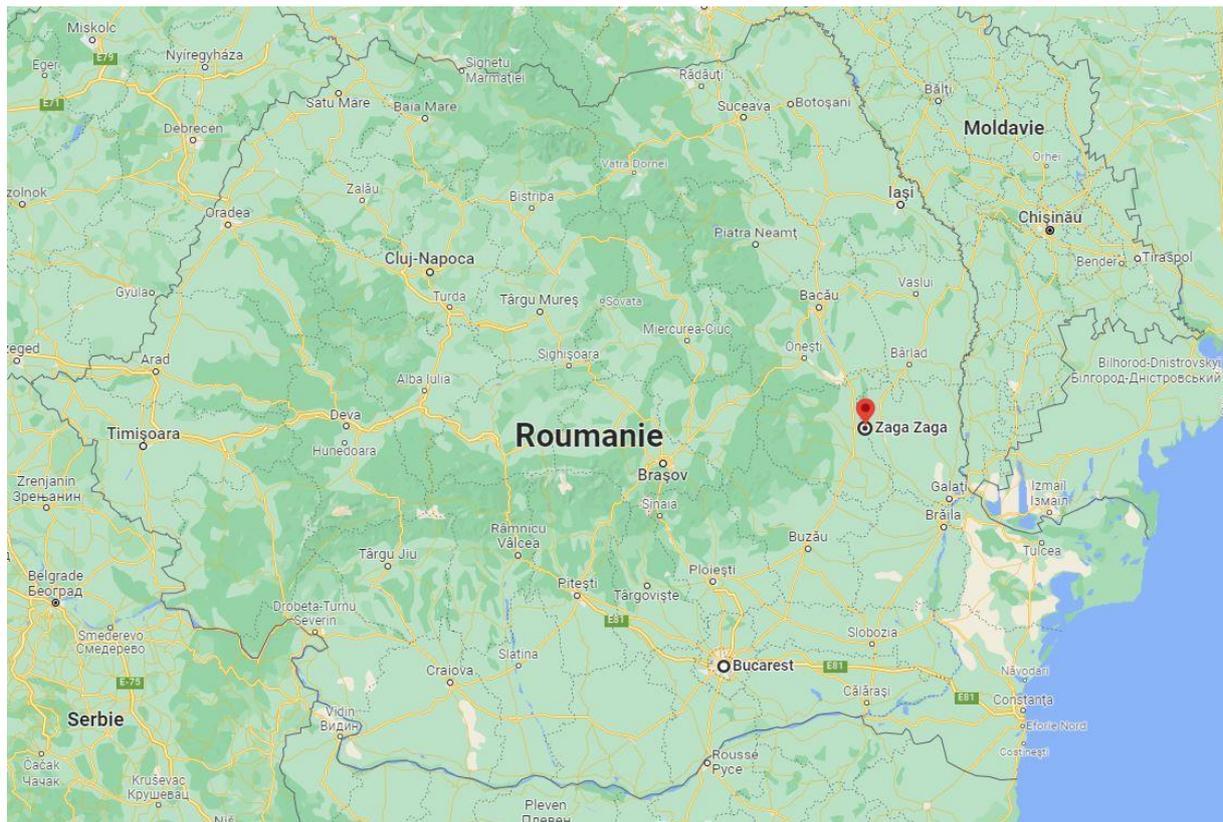


MISSION TO ROMANIA

September 5-10, 2021

PROGRAM

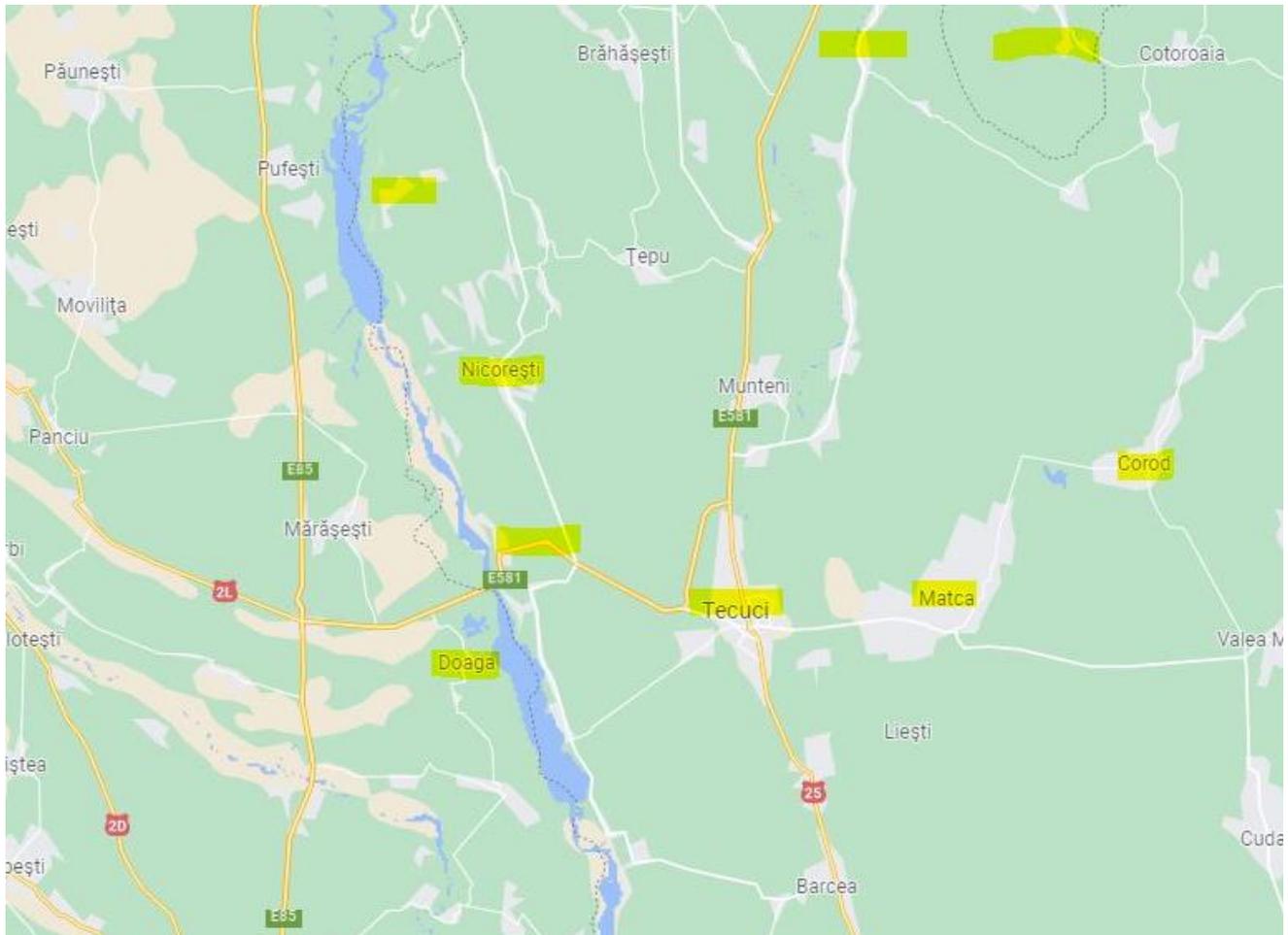
- Sunday 5th: Arrival of partners in Bucarest and travel to Zaga-Zaga Complex Resort, Vrancea County
- Monday 6th to Wednesday 8th: Training and field visits around Tecuci
- Thursday 9th: Transnational meeting in Tecuci and travel back to Bucarest
- Friday 10th: Departure



PROGRAM

Sunday	05.09.2021
	Arrival of participants - Zaga-Zaga Complex Resort, Vrancea County
Monday	06.09.2021
09.00	Corod Municipality - Meeting with the Mayor Mr. Tenie Dumitru
10.00	Visit to investment projects in public services for the population <ul style="list-style-type: none"> • Cultural projects • Education projects- Corod Technological High School • Health projects- Corod Permanent Medical Center
12.00	Visit to a local factory - tasting local products
13.00	Lunch – Corod Traditional Meal
14.00	Visit to Wild Wood (private organisation) – example of good practices Event organization services in rural areas,
16.00	Smart farming – AGRIMAT, Matca commune
19.00	Dinner – Corseda Tecuci Restaurant
Tuesday	07.09.2021
09.00	Cosmesti Municipality – meeting with the Mayor, Mr. Ion Tuchilus
10.00	Visit to projects on public services in rural areas Public Services for emergency situations
12.30	Lunch Corseda Restaurant, Tecuci
14.00	Nicoresti Municipality – Visit to the wine cellar – good practice local wine production project Wine tasting
15.00	Visit to the Nicoresti Village Museum and to the Greek Church – the cultural heritage of the Romanian village
16.00	Visit to the Piroboridava archeological Sit, Poiana commune
19.00	Dinner Restaurant Zaga-Zaga
Wednesday	08.09.2021
09.00	Ghidigeni Municipality– Meeting with Mr. Mayor Tabacaru Eugen
10.00	Visit to successful projects <ul style="list-style-type: none"> • Education- application of SMART technology in rural education • Health – Access of rural population to medical services Visit to the Crissoveloni Palace
12.30	Lunch at Priponesti commune,
14.00	Public-private partnership in rural areas – Presentation of Mr. Mayor Ciocan Marius – Pochidia Municipality, Vaslui County Example of a successful partnership: Meeting with local lavender and cheese processors – presentation of local products
19.00	Dinner – Corseda Restaurant

Thursday 09.09.2021	
09.00	Tecuci LAG Headquarters – Transnational meeting
12.30	Lunch
13.30	Departure to Bucharest
Friday 10.09.2021	
	Departure from Bucharest airport



Transnational meeting agenda

Date and place:

Thursday 9th of September 2021, at 9:00 pm

In Tecuci LAG Headquarters

Agenda of meeting:

- Project management information (budget, management team in Leader France, schedule)
- Activities plan for the last phase of the project (Autumn 2021)
 - Training and meeting in Hungary
 - Final meeting (in visio)
 - Final report: collection of good practices
- Mid-term evaluation of ESPRIT project : round table / discussion

Training

Introduction

Faced with the decline or remoteness of public services, rural populations are concerned about access to services and, more broadly, about the attractiveness of their territories and the prevention of rural depopulation. Many town centres are faced with a wide range of challenges such as housing, shops, mobility, and access to rights, etc. To maintain and improve services, local public initiatives need to reflect the new territorial organisations, as well as the new lifestyles and commitments of the inhabitants. This also requires studying new forms of presence and pooling that could help to improve the quality and accessibility of services.

This is what the ESPRIT project proposes to do: to develop skills exchanges and share innovative practices to revive the service offer in rural areas on European level, by organizing trainings and meetings among expert of rural development.

Situation and challenges in Romania

GLOBAL ISSUES

More than 45% of Romania's population lives in the rural environment, in localities known as "communes". A commune is made up of several small villages, but there are also communes that consist of a single larger village. The rural area in Romania is considered to be the administrative territory of the 2,685 rural communes in the country. The past communist regime left an unfortunate inheritance in the rural area of vast mono-agricultural areas with a dilapidated infrastructure and with many villages deprived of elementary conditions for a decent living (e.g., potable water, electricity etc.).

Rural-urban disparities remain significant. Positive labour market developments are not benefitting all regions and population groups equally. The at-risk-of-poverty rate in rural areas is almost five times higher than in cities. Large regional disparities are detrimental to long-term sustainable growth. Regions with significant shares of the workforce concentrated in low-productivity sectors are characterised by relatively low salaries and high poverty rates, which have a negative impact on social cohesion.

Overall, although Romania has achieved progress in improving its health system, poverty and social exclusion remain among the highest in the EU, with major inequalities in healthcare coverage, the vulnerable population being the most affected. Improving access to healthcare services for the rural population in general, and especially in poor and under-served communities, remains a challenge. The ongoing healthcare reforms in Romania have so far delivered very little. However, the latest health reform measures are promising.

The key problems for the rural **SERVICES TO POPULATION IN RURAL AREAS** in Romania include the following:

- long-term unemployment, low incomes and lack of economic opportunity;
- Rising incidence of poverty, social dislocation in rural areas;
- High levels of hidden unemployment - and under-employment;
- Levels of human capital, in terms of education and skills, are often significantly lower than in urban areas;
- Health and other social services are not adequate;
- A whole range of infrastructure components including roads, telecommunications, water and waste management are in need of upgrading;
- A lack of access to suitable rural finance and micro-small to medium sized enterprise (MSME) credit facilities;
- Little support for business in the form of information and mutual organisation.

There are widening disparities in economic opportunity and poverty, across regions and between urban and rural areas. While Bucharest has exceeded the EU average income per capita, and many secondary cities are becoming hubs of prosperity and innovation, Romania remains one of the least urbanized countries in the EU.

Access to public services remains constrained for many citizens, particularly in rural areas, and there is a large infrastructure gap.

Although Romania is the largest economy in the Balkans, it is also the second-poorest EU country with over a third of Romania's population affected by poverty or social exclusion, particularly in rural areas, where almost half of its population live.

Romania has the second highest urban-rural gap in mean equalised net income in the European Union. In practice, access to basic services, such as water and sanitation, housing, health and education, is not guaranteed equally throughout the country, affecting particularly women and girls living in rural areas, especially the Roma minority, which represents around 8% of the population.

A high number of Romanians have emigrated, and a significant number of children in the country have one or both parents living abroad.

In order to achieve the process of real convergence and sustainable development, the development of the rural areas in Romania is necessary, taking into account that these have a substantial potential of economic development and a vital social role.

At present, rural economy is characterised by a low degree of diversification and by a dependence on agricultural activities that determines the maintenance of low income levels.

The issue of labour occupancy is directly linked to that of ensuring incomes and to the issue of life quality at individual and social levels.

In rural areas, because of the low density of population (45.1 inhabitants per km²), there is low interest in investors.

A proper infrastructure and quality services could contribute to the development of jobs and better living conditions for the rural population.

The diversification of rural economy also depends on the **level of education, knowledge and professional skills**. Though infrastructure is an important element in the social and economic development of the rural area, professional training and primary education are the main instruments of good development through the conversion of the agricultural labour force into non-agricultural labour force.

Weakness

Romania's population has decreased over recent decades and is projected to shrink further. It has fallen by 3.8 million since 1990 and is projected to fall to 15 million by 2070, from the current level of 19.4 million, driven by demographic change, including emigration. As a consequence, the old-age dependency ratio, i.e. the ratio of people aged 65+ relative to people of working-age (15-64), is projected to double from 26.3% in 2016 to 52.8% in 2070. This implies that the number of working-age people for every person aged over 65 would fall from almost four to just two. Population ageing has a negative impact on the adequacy of pensions and on future spending on healthcare and the long-term sustainability of public finances.

High economic growth has translated into improved social conditions. However, poverty and social exclusion, as well as in-work poverty, remain very high while income inequalities have increased. Social transfers have a limited impact on poverty reduction. Inequalities persist, in particular for people in rural and disadvantaged areas. The inactivity rate for women and early school leaving are also very high. The decentralisation of social services has not been accompanied by the provision of proper financial allocations, thus hampering the sustainability of service delivery. The coverage of public services remains low.

Basic infrastructure and access to services in the rural areas continue to be of poor quality and insufficiently developed. 40% of the rural population is at risk of poverty and social exclusion.

The healthcare system is not effective in improving neither accessibility nor the health of the population. Unmet medical needs have increased, with high urban-rural gaps and low coverage for low income groups and the elderly. Preventive, outpatient and community-based care remain under-financed and not covered by sufficiently targeted public policy measures. The health status of the population remains below the EU average. Total healthcare

spending is low and focused on inpatient care. Population ageing and migration are putting increasing pressure on the sustainability of the healthcare system.

Regional disparities in Romania are amongst the highest in the EU. Significant gaps across regions persist in investment, productivity, competitiveness and employment. Addressing them and prioritising investment at a regional level would help increase the country's competitiveness and support longterm growth, development and modernisation.

Romania's weak research and innovation performance hampers the transition towards a knowledge-based economy. The country continues to have one of the lowest levels of public and private expenditure on research and development in the EU, negatively affecting scientific quality and the diffusion of technology amongst firms. Increasing R&D investment and quality and supporting innovative firms remain important challenges.

The equity, inclusiveness and quality of education remain important challenges. Education spending is amongst the lowest in the EU. Early school leaving is very high, in particular for pupils in rural areas, Roma children and children with disabilities. The acquisition of digital skills is low, posing challenges for the future labour market integration of graduates. The labour market relevance of vocational education and training and higher education remains low, harming graduates' job perspectives.

Strengths

Romania covers an area of 238 000 km², of which 87% is rural. Of the total area, agricultural land covers 57% and forestland 30%. The unemployment rate is 7% (2012). The total population is nearly 20 million – of which 45% lives in rural areas. The share of agriculture in the Romanian economy (at 6.6% of Gross Value Added) still remains one of the highest in the EU (more than three times the EU average of 1.7% of GVA). Approximately one third of all farms in the EU are found in Romania, with some 3.9 million farm holdings.

On the back of positive economic developments, labour market conditions remain tight. Since 2017, there has been a general pick-up in employment, with an increase of 0.2% in 2018 (Graph 1.6), to a record employment rate of 70.8% in Q3-2019. This trend is expected to continue with employment growing further in 2019 and 2020. The unemployment rate fell to 3.9% in 2019, its lowest level since 1997.

The strengths of Romania's rural areas:

- The natural resources are generally in good state of preservation;
- Romania's landforms: mountains, hills, plains;
- Biodiversity valuable;
- Variety of the traditional landscapes;
- Rich hydrographic network;
- High percentage of the population living in rural areas (45%);
- Significant agricultural and forest area (61.3%, respectively 28.3% of the country) and favorable pedo-climatic conditions for the crop diversification;
- Large share of agricultural and forest lands generating eco-systems services characterized by a great biological diversity;
- Rich rural heritage (large natural, material and immaterial cultural heritage);
- Keeping the traditions and the customs alive;
- Overall low level of greenhouse gas emissions in agriculture.

The strengths of Romania's rural areas emphasizes its potential regarding the natural resources, the variety of relief forms and traditional landscapes, the richness in hydrographical net and the biodiversity all over. Also, regarding the social aspect, Romania is a peculiar case of the EU-28 as about 45 % of its population is living in the rural areas, where agriculture represent the main income source.

INNOVATION IN THE FIELD OF SOCIO-ECONOMIC DEVELOPMENT AND RURAL TOURISM

One of the most important solution, for the main challenges that Romanian is facing in rural areas is based on the idea of ESPRIT projects, which underlines the need of improving the access to services for the rural population. We have identified some of the main processes and tools, in order to contribute to this goal, such as:

- Favorable natural conditions for the development of the agritourism, hunting, fishing and activities which generates alternative income;
- Infrastructure development (roads, potable water supply and sanitation) may generate the emergence of investors;
- Access to the basic training programs and lifelong learning, for entrepreneurship development;
- European Union support regarding risk management instruments and tools in agriculture (crop insurance, animals and plants insurance, setting up mutual funds, income stabilization);
- Financial support through community funds for the development of the seals local network and short food chains;
- The importance of the mountain areas for the production of quality food is increasing due to the effects of climate changes and to the increased population growth, globally;
- Preservation and promotion of the local resources (agriculture, forestry, cultural heritage, natural heritage);
- Capitalization of a range of renewable energy sources from agriculture and forestry (crop residues, energy crops, wood);
- The absorption capacity of the common market for the agri-food products niche;
- Local brands promotion.

Financing Tools :

Romania is one of the countries benefiting most from EU support. The financial allocation from the EU Cohesion policy funds¹ for Romania amounts to €26.8 billion in the current Multiannual Financial Framework (2014-2020), equivalent to around 2% of the GDP annually. By the end of 2019, some €28.5 billion (more than the total amount planned) was allocated to specific projects and €7.2 billion was reported as spent by the selected projects², showing a level of implementation well below the EU average. While bringing about a more harmonious development through reducing economic, social and territorial disparities, EU Cohesion policy funding already significantly supports structural challenges in Romania. The Cohesion policy programmes for Romania have allocated EU funding of €2.7 billion for smart growth, €13 billion for sustainable growth and sustainable transport and €6.2 billion for inclusive growth. In 2019, following a performance review³, €888 million have been made available for Romania within performing priorities.

The Rural Development Programme (RDP) for Romania was formally adopted by the European Commission on 26 May 2015 and last modified on 28 April 2020, outlining Romania's priorities for using the nearly € 9.5 billion of public money that is available for the 7-year period 2014-2020 (€ 8.1 billion from the EU budget, including € 112.3 million transferred from the CAP direct payments, and € 1.34 billion of national co-funding). The RDP for Romania focuses mainly on 3 priority areas:

- promoting competitiveness and restructuring in Romania's large agricultural sector;
- environmental protection & climate change;
- stimulating economic development, job creation and a better quality of life in Romanian villages, where there remain major disparities with EU and national levels.

Under the first of these priorities, 'Competitiveness of the agricultural sector and sustainable forestry, the RDP will help modernise nearly 3 400 farms and cooperatives, support the development of more than 30 000 small farms, and the setting up of more than 12 000 young farmers. Under the priority Restoring, preserving and enhancing ecosystems related to agriculture and forestry', more than 1 million ha (over 9%) of agricultural land and more than 900 000 ha (14%) of forests will benefit from payments to support biodiversity and promote environmentally-friendly land management practices. A further 4.7 million ha will receive support in order to prevent land

¹ European Regional Development Fund, Cohesion Fund, European Social Fund, Youth Employment Initiative

² <https://cohesiondata.ec.europa.eu/countries/RO>

³ The performance review is regulated by art 22 of Regulation (EU) No 1303/2013

abandonment and soil erosion. Skills in the agricultural sector will be reinforced by the training of some 96 000 persons, under the above two priorities.

Under the priority 'Social inclusion and local development in rural areas', almost 27000 jobs will be created in rural areas and the setting up and development of 3 000 non-agricultural businesses will be supported. Nearly 27% of the rural population should benefit from investments to improve rural infrastructure.

Social inclusion and local development in rural areas The RDP aims to promote diversification of the rural economy and creation of new job opportunities to help surplus labour from agricultural sector, and increase rural incomes. Nearly 3 000 projects will be supported for setting-up/developing non-agricultural businesses in rural areas and almost 27 000 jobs will be created, of which more than 2 000 will be created under LEADER.

Management and local governance tools :

120 LEADER Local Action Groups will implement local development strategies, covering 100% of the eligible rural territory. Almost 800 projects will be supported to improve small-scale rural infrastructure, improving living conditions for some 27% of the rural population. They will include investments in local roads, waste water/water supply facilities, crèches, kindergartens, afterschools, and agricultural high schools.

Nearly 400 local cultural patrimony buildings will be restored and preserved. Access to credits for implementing private investments under the RDP will be facilitated by the use of financial instruments, starting with a Credit Fund. Romania has also chosen to implement a separate thematic sub-programme (with indicative financial allocation of € 320 million EAFRD funds) aimed to increase the competitiveness and enable restructuring of the fruit growing sector, a sector where Romania has climatic advantages and traditional strengths, but which has suffered from under-investment. Support is given for the setting-up of new orchards, reconversion of the old ones, fruit processing, cooperation projects, and the setting-up of producer groups within the sector.