Abstract. The background of financial and economic global crisis that affects the Romanian economy and society this year leads to new questions regarding the way the funds allocated to Romania through structural instruments support the process of reconversion/reinsertion/reintegration on the labour market of persons affected by this recessive trend. The slogan of Lisbon Strategy itself on “knowledge based society” determines us to tackle on the problem of the efficient use of structural and cohesion funds allocated to Romania for the programming period 2007-2013, in an equation cost-benefit with positive results for all the social levels. In this way, the expectancies related to the profitable effect of the infusion of Community funds in the human resources development sector should take into consideration the fact that the results will not appear “sine die” as a linear result of the financial forecasts, being necessary to structure, boost and strengthen the whole process specific for the technical and financial management up to the project level. Knowing the genesis of structural instruments in the united Europe after the Second World War gives an important scientific landmark taking into consideration that the current crisis is the most serious phenomenon of recession in the last 60 years in the world. Measures that proved the efficiency in the past decades in some Member States are also valuable elements for positioning Romania in implementing SOPHRD and ensure the premises for perspective guidelines in running future actions in this area. The analyse of the results registered in the first 18 months from the implementation of SOPHRD in Romania offers the informational support for the fundamental of accelerated support measures for the absorption process of Community funds with a view to overcome the crisis we are dealing with. The analyse of labour market and occupational crisis in Romania with a view to identify some possible solutions for overcoming it may be done only in the context of analyzing the situation to the European level and in close connection with the process of the integration of our country in the European Union.

Keywords: European funds; SOPHRD implementation; occupational crisis.

JEL Codes: J62, M54.
REL Codes: 12C, 12I.
I. The historical background of the European funds in European Communities

The historical foray regarding the genesis of European structural instruments reminds us that the Second World War brought again into discussion the idea of creating a social and clear of wars Europe, supporting consciously the European perspective (United States of Europe) in reconstructing democracy.

1951-1957

Europe has received, in the years after the Second World War, help from the United States under the Marshall Plan for the European Recovery Program for readjusting the infrastructure, the education and training. Thus, one of the results of the ECSC Treaty was the establishment of a “fund to support workers from the coal and steel industry to acquire qualifications on the job to keep up with the modernization of industries or with the change to new ways of production and, if failure, to allow them to look for an employment in other industries or other geographical regions” (European Communities, 2007, p. 11). From this perspective, it is considered that the ECSC Fund for professional reconversion and relocation of workers was the predecessor of the European Social Fund (ESF). The Treaty establishing the European Coal and Steel Community from 1951 is also appreciated to have some elements of social policy.

1957-1960

The statements and action areas of the European Economic Community Treaty from 1957 had in this area most of all declarations of intention unintended, focusing principally on counterattack measures of the existing constraints regarding the mobility of workers and employees in the European Communities.

1960-1970

European Social Funds have been established in 1960 and financed mostly measures of requalification and reallocation. Up to the mid of 1970s, this type of financing was the most important activity of the European social policy.

1970-1980

In 1970 it was adopted the need to create a European network for the coordination of the social security legislation to the level of states, ensuring that the citizens (men and women) can freely move in the Community. If they work in another Member State the European citizens can not be treated differently from the citizens of the country concerned, no matter the sex of the person who deploys working activities. The requirements to have social security from a legal point of view may be considered partially because of the coordination of national state systems (through pensions, employment benefits, health insurances but not social support also). In 1974, the first European Community Social Action Program was implemented. The social policy programs were as a rule connected to norms of general competence (art. 100 and art. 235 of the EEC Treaty) and supposed decisions in unanimity in Council. The objectives of the Social Action Programs had references to the protection of total employment, improvement of life and work conditions of
workers with a view to equality. It was also brought into discussion the increasing of social partners’ participation to the social and economic decisions as well as the role of workers in establishing the “destiny” of the enterprises they worked in. In this sense, the problem was not to connect the declarations of intention but to install the Keynesian spirit of the global effort. The main interest aspects of the European policy more concrete after the 1970s were the specific action programs regarding the protection of security and health at the work place, rules for coordinating the social security of migrant workers and promoting equal opportunities for women. The European policy for equal opportunities had an important contribution in raising awareness and in legislative changes in the conservative parts of the Member States.

1980-1985

The Eurosclerotic stage was marked by a general stagnation in the integration process and by an increase of re-nationalizing of the economic policy. The fundamental of the changes in the exploitation economic conditions lead finally to an economic and social development model of social structure – Keynesian corporate liberalism. More of that, the new British government lead by Margaret Thatcher blocked any form of progress of the future development of social action programs and harmonization of European legislation. The Commission chaired by Jacques Delors in 1984 could have boosted through an initiative the dialogue between social partners at European level. Apart from this remains the idea of installing a social partnership at European level which could open later on the way to a collective system of agreements, but besides some discussions and declarations on the subject nothing concrete happened. The employers and trade unions refused to be the burdensome part in this problem at the European level. The work conflicts and salary policy existed already at the beginning of 1980s and moved fast towards firms sector.

1986-1990

Starting with the Single European Act in 1986 it was initiated a profound remodeling of the European integration by taking into consideration the “method of integration based on the competitiveness of state”, which was based on the whole European strategies of reduced costs, having as target the benefit of enterprises and promoting thus the European competitiveness and the elimination of some duties of state (liberalization and privatization of public or state dependent services such as energy, railways, post, telecommunications, etc). The project of common market was based on the principle of organized competitiveness (mutual recognition of standard products, low harmonization of the provisions corresponding to the European level, competitiveness between tax systems and benefits of national states). Because the economic and monetary union as well as the financial regime was subjects of interests, competitiveness and financial policy played a principal role. The so called convergence criteria of the Maastricht Treaty were mainly oriented towards the fight against inflation and especially towards the reduction of budget deficit and national debts. The public
expenses perceived as being consummative were also the subject of the pressure of the measures taken. Inside the monetary union the salaries were left apart being necessary their variability to be adjusted, the policy of exchange rates being thus eliminated. The same philosophy represented the essence of establishing an integrated financial market. The integration model based on the state competitiveness put constantly pressure on the national states and undermined increasingly their bases (the disappearance of not ensuring homogenous work and life risks through work segmentation and flexibility, increasing special employment forms such as the time of working contract, minimal jobs, part-time jobs).

From this perspective it seems paradoxically the fact that the European Contracts from 1986 were reevaluated symbolically and gradually. The Single European Act put a great accent on the objective of social cohesion (article 130 a end e) and tried to offer substance by extending to the European structural and regional funds. Article 118a of the European Community Treaty introduced the principle of majority decisions in the Council regarding the problems of the working environment (especially work protection and health at the work place). Then, the president of the Commission, Jacques Delors, wanted to offer a dimension more social to the internal market, but he didn’t succeed. Article 118b consecrated only the social dialogue (the possibility of the participation of the employers and trade unions to the social structure in the internal market). The Community Charter of the Fundamental Social Rights adopted by the European Council of Ministers in 1989 (without the participation of Great Britain) did not establish any obligation and moreover it still indicated the state as principal responsibility in the social policy.

1991-1997

The Maastricht Treaty regarding the establishment of the European Union in 1991 did not bring essential innovations in the social policy, but an interesting legal exception. Because Great Britain had refused any integration of the social policy regarding the contractual level, the other 11 states adopted the so called social protocol known as the Maastricht Treaty on social policy, establishing the subjects of the state social policy, most of them being under the regular legislative competence:
- minimum standards for working conditions (which could be adopted with qualified majority);
- social security, protection against dismissal and information and consulting rights for working persons (unanimous vote);
- social dialogue for social partners that allows contractual relations that include the conclusions of the agreements at the European level.

Thus, in 90s many modifications of the old guidelines were registered, some of them having minimal social standards in the internal market, such as:
- protection of labour and health (the use of vehicles, computers, etc.);
- general conditions of the labour contract (maximal working time, holydays, night tour, atypical working relations, working relations described in contracts);
- equal opportunities for women
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- equality of salaries, general equal treaty, the burden of manifesting the work capacity);
- the crisis of firms (transition property/management, massive lay offs, insolvency);
- protection for the activity of mothers and young persons;
- participation of workers and employees.

The European Social Fund extended his covering area. In 1980s the main objective was referring to employment and reinsercion of young unemployed. Most of the funds were canalized towards the poorest states. The Delors package (1998 and 1992) increased and extended the application of the means of structural funds. In this perspective the funds focused mainly on the fight against long term unemployment, integration of the young persons on the labour, adaptation of the labour force to the structural industrial change and associative measures for the renewal of the traditional industrial regions.

The social dialogue extended and possible between two European partners, trade unions and the European Confederation of Trade Unions allowed the adoption of some common declarations or some agreements on some subjects. The agreements negotiated between social partners could have been transformed by the Council, after the Commission’s proposal, into guidelines.

This was the case of the EU Agreement of Social Partners regarding the parental holidays and the part time activity. In 1997 the government of Tony Blair eliminated the Britain option of not participating to the social policy. The Treaty of Amsterdam had a separate title – Title VII Employment, being thus possible to coordinate the national employment policies on the basis of European guidelines. Member States were obliged to elaborate Action Annual Plan regarding the way these principles are implemented which have been accompanied however by irrelevant recommendations.

In the same time, a new title, Title XI Social policy, general and vocational education and young persons, defined new areas of integration in the Treaty by including some subjects such as work protection and health at the working place, working conditions, vocational insertion; equal opportunities between men and women on labour market, equal treatment at the work place and equality of salaries without discrimination based on sex; social security and social protection of persons who work, information and counseling of persons employed, collective negotiation, promoting large majority the principles of European social policy are dominated by the principle of the smallest denominator. Compared to the standards of social policy and work in the most developed states (for example Sweden, Denmark, RFG), the European norms were rather limited. The exceptions are established maybe by the preventing principle consecrated by the European legislation regarding the working environment, computer working norms and the policies on women equal opportunities.
employment and others. The new article 13 of the Treaty of Amsterdam allowed for the first time the adoption of legislative initiatives and other EU measures of fight against discrimination no matter the sex, race, ethnicity, religion and opinions on world, handicap, age and sexual orientation.

As a result of the Treaty of Amsterdam, the following subjects of the social policy became subjects of the majority decision in the Council:

- principles of employment policy;
- improvement of working conditions (protection and employment security at the workplace);
- working conditions;
- information and counseling of persons employed;
- equal opportunities between men and women on the labour market, equal treatment at the working place and equal indemnifications for equal and equivalent work;
- provisions for achieving the objectives of European Social Funds.

For other problems the rule of unanimity was still functioning. The problems of work indemnity, league and strike were still excluded. In the field of fighting against social marginalization, the Council offered the right to initiatives which could interest the cooperation between Member States regarding the improvement of knowledge, exchange of information and proper procedure for promoting innovative approaches and evaluations carried on.

**2000-2010**

Year 2000 represents a major moment in the evolution of social policy through the adoption of two complementary directions of action, i.e. “knowledge based economy” and “open method of coordination”.

Through the elaboration of Lisbon Strategy it is established to the EU level, on ten years, the objective of transforming the Community economy in the most competitive knowledge based economy. In the same year it was adopted the Social Policy Agenda which takes over specific objectives and elements of strategy that deal with social policy and transform them in an action plan over a period of five years, which constitute the framework of the current social policy.

The procedure defined as “open method of coordination” was implemented after the EU Lisbon Summit (2000) as a more general cooperation instrument in different areas starting from the point that interest aspects (such as for example fighting against social exclusion) to the level of national state remains first responsible. Coordination at the European level involves first of all gathering information and analyzing by comparing the practices recorded at the level of Member States. On this basis significant indicators can be established that may allow more systematic comparisons between Member States.

Open method of coordination will be completed by the strengthening of the guidance and coordination role of the European Council that examines during the meetings the social economic problems and simultaneously follows the progresses recorded for ensuring the global coherence. In this perspective it was underlined the necessity of an interconnection between economic, social and employment policies (Cace, 2004).

In a subsequent stage the principles and general objectives or the guidelines more
concrete of the European coordination may be adopted by the Council that will determine Member States to commit themselves in the implementation of the national plans. Regarding the fighting against social exclusion the Council decided for some principles and objectives very general by the commitment of Member States in two years action plans. On the basis of the experiences achieved by implementing the national action plans a common and mutual evaluation is elaborated, the open method of coordination being thus defined as an unacknowledged legal procedure and not leading to sanctions if the objectives have not been achieved or have been inadequately achieved. It is also an indirect method of consultation at the European level which underlies on the common elaboration of the guideline model and European objectives. Member States are subject of pressure because their governments must answer to other states, Commission and media, regarding the measure their policies correspond to the European models. Shortly, “the black sheep” can be identified in the European steering process.

EU Treaty of Nice (2001) modified again the provisions of European social policy, listing the following areas of intervention:

a) improvement, especially of the working environment by protecting health and security of working persons;

b) working conditions;

c) social security and social protection of working persons;

d) protection of workers and employees if the working contract terminates;

e) information and counseling for employees;

f) representation and collective perception of the interests of working persons and of employers, including the co-determination rights, subject of paragraph 5;

g) employment conditions of citizens from the countries of the third world who are legal residents of the Community;

h) employment integration of persons excluded from the labour market, no matter the article 150 (additional measures for vocational education);

i) equal opportunities between men and women on the labour market and equal treatment at the work place;

j) fighting against social exclusion;

k) modernization of the social protection systems.

In all these areas of intervention the Council can decide initiatives in agreement with the open method of coordination when the European harmonization of the legal provisions is explicitly excluded. In the areas of intervention a)-i) the Council can in addition adopt guidelines with minimal provisions. These minimal standards should not prescribe administrative, financial and legal limits that enclose the beginning and development of some small and medium business. As a rule it is decided the adoption with a qualified majority, excepting the areas c), d), f) and g).

The EU Summit of Nice passed and the EU Charter of Fundamental Rights only as a solemn declaration without judicial implications. The Charter includes economic and social fundamental rights that will bound the European institutions and the European policies in all the areas, being planned to be followed as an individual basis in front of the European Court of Justice.
II. European good practices in managing European Social Fund

As a conclusion of the successive stages regarding the harmonization of the European social policies by establishing some financing schemes under ESF it is interesting to keep in mind a simplified chronology of these steps and further on to present some examples of good practices recorded in some EU Member States.

Chronological table on the European evolution of structural instruments

<table>
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<tr>
<th>Period/Year</th>
<th>Action</th>
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| 1957 | The signatory states of the Treaty of Rome specify in the preamble the necessity to “strengthen the unity of their economies and to ensure the harmonious development by reducing the differences between various regions as well as the disparities that the regions less favoured deal with”.
| 1958 | Establishment of two sectoral funds: European Social Fund (ESF) and European Agricultural Guidance and Guarantee Fund (FEOGA).
| 1975 | Establishment of the European Regional Development Fund (FEDR) for redistributing a part of the Member States budget contributions to less-favoured regions.
| 1986 | Single European Act creates the basis for a real cohesion policy meant to compensate the taxes imposed on the single market and fall in the South countries and in less-favoured regions.
| 1989-1993 | Brussels European Council rephrases in February 1988 the functioning of the Solidarity Funds, called “Structural Funds” and decides to allocate 68 milliards ECU (prices at the level of the year 1997).
| 1992 | The Treaty on European Union entered into force on 1993 considers the cohesion as being one of the essential objectives of the Union along with Economic and Monetary Union and Single Market. The Treaty stipulates the establishment of a Cohesion Fund for supporting projects for environment as well as the transport sector in less favoured Member States.
| 1994-1999 | Edinburgh European Summit (December 1992) allocates for the cohesion policy almost 200 milliards ECU (prices at the level of the year 1997), i.e. one third of the Community budget. A new Financial Instrument for Fisheries Guidance completes the Structural Funds. Berlin European Council (March 1999) reforms the Structural Funds and modifies the functioning of the Cohesion Fund. These Funds will benefit of more than 30 milliards of Euro per year between 2000 and 2006, i.e. 213 milliards of Euro on seven years. The Pre-Accession Structural Instrument and the Special Pre-Accession Programme for Agriculture and Rural Development (SAPARD) complete the Phare Programme from 1989 for supporting the economic and social development as well as the environment protection in the candidate states from the Central and Eastern Europe.
| 2000-2001 | Lisbon European Council (March 2000) adopts a strategy focused on employment and meant to transform the Union in the “most competitive and dynamic knowledge based economy from the world until 2010”. The Goteborg European Council (June 2001) completes this strategy by connecting it to the sustainable development.
| 2004 | On 19 of February the European Commission presents the proposals for the reform of the cohesion policy for 2007-2013: “A new partnership for cohesion: convergence, competitiveness, cooperation”.
| 2005, 28 January | Last statistics at regional level that confirm the Commission’s proposals on 2007-2013 Structural Funds.

Source: Ministry of Administration and Interior, Public Administration Reform Unit, EU Structural Instruments

Structural Funds and the Cohesion Fund are the financial instruments of the Community social and economic cohesion policy, which support the reduction of the disparities between the development levels of EU Member States different regions(1). The general rules regarding Structural and Cohesion Funds are established by the Regulation of the European Union Council no. 1083/2006 which defines general rules regarding the European Regional Development Fund, European Social Fund and Cohesion Fund.

In financial terms these instruments have the second place as weight in the EU budget for European policies. These are:

- European Regional Development Fund (ERDF), established by the Regulation
no.1080/2006 of the Council and European Parliament, supports the sustainable economic development at regional and local level by the mobilization of the local capacities and the diversification of the economic structures in areas such as research and technological development, innovation and entrepreneurship, informational society, SMEs, environment protection, tourism, energy;

- European Social Fund (ESF), established by the Regulation no.1081/2006 of the Council and European Parliament, supports the increase of the adaptability of the labour force and enterprises, the increase of the access on the labour market, prevent of unemployment, prolong of active life and the increase of the participation level of women and migrants on the labour market, supports social inclusion of disadvantaged persons and fights discrimination.

- Cohesion Fund, established by the Regulation no.1084/2006 of the European Union Council finances projects in the field of environment protection and transeuropean railway networks, sustainable development as well as projects that aim at improving the management of the road and air transport, modernization of the urban transport and modernization of the multimodal transport.

During 28-29 of June 2007, in Postdam, it was celebrated half of century from the signature of the Treaty of Rome as well as 50 years of “investing in people” of European Social Fund. Further on, it is necessary to present some of the success results of the decades of the half century mentioned above. Thus, in the table below we synthesized the main aspects of the labour market in the European Communities:

Success initiatives recorded in implementing ESF

<table>
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<tr>
<th>Period</th>
<th>Initiatives/Trends</th>
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| 70s    | • ESF opened to a larger selection of employees (agriculture, textile sector)  
        • support for persons who had problems in finding a job in another EC country  
        • supporting the preparatory studies and the innovative pilot schemes for testing new ideas and practices  
        • support for young persons in recruiting and employment  
        • more considerable support for women, other specific social groups, such as elder workers or workers with disabilities (those aged 50 years or more) |
|        | The period marked the beginning of a process under which the Commission and Member States had to define common priorities within EC and to allocate significant finances to deal with them. The new prior approval system and the approach more structured imposed more controls that could guarantee the fact that the EFS financing was used properly. |
|        | 80s    | • it was eliminated the request that a requalified person must work to an working place associated with the qualification achieved at least 6 months from the end of the vocational qualification period.  
        • in 1983 it was established that the ESF financing should be directed to regions that especially needed them  
        • more than half of the ESF financing were directed to schemes that stimulated the employment in more poor regions and countries as Greece, the French overseas departments, Ireland, Mezzogiomo region from the South of Italy and North Ireland  
        • support for young persons with less perspectives in finding a job because of the lack of vocational training or with inadequately training and also for long term unemployed. The financing included also those who had early left school since a great number of young persons gave up school too early or without having a qualification  
        • ESF reform in 1988 highlighted the importance of integrating “women in occupations where they were underrepresented” |
|        | The reform from 1988 marked a change from the projects (individual) implemented in a national context to a planned multiannual effort agreed in a partnership between Member States and Commission. As a result of the reform, ESF will approach more the needs of regions and Member States. |
But not only the absorption rates are public, but also the problems the new Member States confronted with in accessing the funds. Thus in the learnt lessons category are included observations related to:

1. the discontinuity pre-accession funds – structural funds;
2. the role of applying the partnership principle;
3. the importance of having a well prepared state administration;
4. role of decentralization.

The European Commission elaborates every year a report on the implementation of the structural funds, where it is also specified the absorption level. In March 2005, at almost one year after the integration of the 10 new Member State, the lowest absorption rates were registered in Czech Republic, Lithuania and Slovenia (10%) and the highest in Hungary (15%). Although these dates are public and easy to be accessed on the EU site, the Romanian officials talk about 85% absorption capacity.
Structural funds subject is more and more in the center. Many institutions have started even since the beginning of 2007 training campaigns especially for the members of public administration.

The problems generated by the absorption of structural funds, problems that the new integrates states are dealing with, reflect the lack of efficient national policies, low implementation capacity and the lack of experience in developing partnership principles and practices. These led, in some of the cases, to the adoption in some Member States of some perspectives rather formal and mechanic than really developing ones. The accent falls on procedure and structure and less on the impact of partnership.

From many points of view these problems do not surprise. The challenges of development associated to the absolute poverty and social exclusion that regions such as East Slovakia (where the roma population is the majority) but also the North East Development Region or the Russian speaking minorities from Estonia or Lithuania deal with can go beyond the problems that the structural funds should solve.

The diversity of approaches regarding the definition and scope of the “activation” policies is large enough (Raveaud, 2001). But these seemed to become a way of agreement between Member States and Commission regarding the necessity to “activate” the unemployed persons, along with other researches in this field (Abrahamson, 2000). It can be possible to identify an “ideological convergence” in these policies that consists in: portraying the unemployment as a fact for which the individual is responsible. Thus, the individual is responsible for the risk administration (for example losing the job) and the risk is seen as an inevitable fact in life. (Pascual, 2003, p.153)

This current is in line with the Third Way Manifesto concept that intends “to promote a new entrepreneurship spirit at all the society levels”. For other authors the scope is not protecting people from risks, but “transforming the security determination networks in a beat board towards personal responsibility” (Blair, Schroder, 1999).

But even in this case how can the EU responsibility within these developments be more clearly defined?

Serrano Pascual admits that “European institutions are not seen as playing an important role (Pascual, 2003, p. 162) in implementing such policies”. In this way, the role of Union should not be underestimated because the European Employment Strategy is to promote a certain diagnosis of the problem (interpretation and causes), the principles of legitimacy, the targets of intervention and the role the state must play (Ibidem, p. 151). This perspective is now strengthening by the complete strategy integration in the Union large policy.

III. Preparing steps for European Social Fund in Romania on pre-accession period

Before starting the integration negotiations with EU, it was appreciated that “Romania registered an accentuation of the existing disproportions compared to EU Member States regarding the
employment structures. The most worrying evolution resides in the migration of the qualified active population towards activities and commitments that require a lower vocational training level, towards the underground economy or agriculture” (Stanciu, 1996, p. 69).

The employment was considered as a prior objective and efforts have been done for adapting the Romanian system for the implementation of the European Employment Strategy. Thus in 2001 it was elaborated the first Action Plan for Employment (PNAO) accompanied by the Programme for stimulating the employment and reducing the unemployment which transposes the Resolution no 99/312/EC regarding the employment guidelines.

In order to prepare for participating to the European employment market and to the revision process of the employment policy, the Romanian Government and the European Commission signed in 2002 a Joint Document for the Evaluation of the Employment Priorities in Romania.

Romania aligned to the revised European Employment Strategy, the essential instrument for the coordination of the priorities in the employment area at the EU level, thus being elaborated the two PNAO 2002-2003 and 2004-2005. One of the European objective for the continuous vocational training development in Romania is that until 2010 the medium level of participation to the lifelong learning education for persons aged between 24-64 years to be 12.5%; in order to realize this objective it is necessary to elaborate coherent strategy and pragmatic measures for stimulating the permanent education for all.

The actions are carried on by the National Agency for Employment (NAE) and monitored by performing indicators provided by the local agencies for employment. The actions carried on in 2001 and the objectives established for 2002 aim at strengthening the Employment Strategy for 2002-2004, integrated part of the employment and social protection strategy elaborated by the Ministry of Labour, Social Solidarity and Family. As a result of the conclusions taken by NAE from the PNAO implementation a serial of normative acts for creating new jobs and stimulating the mobility of the labour force have been elaborated.

Thus the Law no. 76/2002 on the unemployment insurance system and employment stimulation and the Government Decision no. 174/2002 on the methodological norms for applying the Law no. 76/2002 on the unemployment insurance system and employment stimulation stipulate the increasing of the importance of active measures for fighting against unemployment, financial support for enrolling the unemployed, advantaging loans for SMEs. The Government Decision no. 759/2002 on the National Plan for Employment was also adopted.
Active measures on labour market

Table 3

- information and vocational counseling;
- working mediation;
- vocational training;
- guidance and assistance for starting an independent activity or a business;
- stimulating the labour force mobility;
- jobs subsidies;
- stimulating the employers for hiring graduates;
- subsidies for employers who hire persons aged over 45 years or monoparental families and for employers with less than 100 employees who hire persons with disabilities;
- advantaging loans from the unemployment insurance budget;

**Source:** Law no. 76/2002.

The European Commission appreciated in the Country Report for 2003 that: “new labour code incorporated the essential principles of the acquis in this area, but there are still some necessary adjustments to be done”, as well as “an important part of the acquis should be implemented through the secondary legislation”.

In the European social policy field we can talk now about four common challenges that Romania as well as the other EU Member States has:

- improving the employment performances;
- reconciliation between the imperative of the economic competitiveness and the social welfare;
- adaptation to the technical progress – industrial restructuring and the optimal work organization;
- solving the disequilibrium created by the ageing population process – the consequences of the ageing population are devastating for the financing of the pension system.

We should not forget the fact that at the EU level we can also talk about three important imperatives: constructing a Europe for citizens; the success of the EU enlargement, the reconciliation of the Economic and Monetary Union with the economic and social cohesion.

### IV. Recent evolutions in implementing SOPHRD

SOPHRD was elaborated in line with the Community Strategic Guidelines on Cohesion, the Lisbon Strategy on growth and jobs and taking into account the **Council Regulation (EC) no. 1083/2006** laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund, the **Council Regulation (EC) no. 1081/2006** on the European Social Fund, the **Commission Regulation no. 1828/2006** setting out rules for the implementation of **Council Regulation (EC) no. 1083/2006** laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund.
Development Fund, the European Social Fund and the Cohesion Fund. “The general objective of SOPHRD is the development of human capital and increasing competitiveness, by linking education and lifelong learning with the labour market and ensuring increased opportunities for future participation on a modern, flexible and inclusive labour market for 1,650,000 people” (The Framework Document for the Implementation of Sectorial Operational Programme Human Resources Development 2007-2013: 2009, p. 2).

SOPHRD 2007-2013 was adopted by the EC Decision no. 5811/22.11.2007, the date the implementation of the Programme started. Sectoral Operational Programme Human Resources Development is structured on 7 Priority Axis and 21 Key Areas of Intervention, presented in the table below:

Priority axis and key areas of intervention under sectoral operational programme human resources development

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>Key areas of intervention</th>
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</thead>
<tbody>
<tr>
<td>2. Linking life long learning and labour market</td>
<td>1. Transition from school to active life; 2. Preventing and correcting early school leaving; 3. Access and participation in CVT.</td>
</tr>
<tr>
<td>3. Increasing adaptability of workers and enterprises</td>
<td>1. Promoting entrepreneurial culture; 2. Training and support for enterprises and employees in order to promote adaptability; 3. Development of partnerships and encouraging initiatives for social partners and civil society.</td>
</tr>
<tr>
<td>4. Modernizing the public employment service</td>
<td>1. Strengthening the PES capacity to provide employment services; 2. Training of the PES staff.</td>
</tr>
<tr>
<td>5. Promoting active employment measures</td>
<td>1. Developing and implementing active employment measures; 2. Promoting long-term sustainability of rural areas in terms of HRD and employment.</td>
</tr>
<tr>
<td>6. Promoting social inclusion</td>
<td>1. Developing social economy; 2. Improving the access and participation of vulnerable groups to the labour market; 3. Promoting equal opportunities on labour market; 4. Trans-national initiatives for an inclusive labour market.</td>
</tr>
<tr>
<td>7. Technical assistance</td>
<td>1. Support for SOP HRD implementation, overall management and evaluation; 2. Support for communication and promoting SOP HRD.</td>
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</tbody>
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The institutional structure for SOPHRD is regulated by the G.D. no. 457/2008 (MO no. 364/13.05.2008) on the institutional framework for the coordination and management of the structural instruments that established the general functions of the MA and IBs for the SOPHRD implementation accordingly to the European Regulations (ESF Regulation no. 1081/2006, General Regulation no. 1083/2006 and Implementation Regulation no. 1828/2006).

The annual implementation reports and the final report

According to the Community provisions MASOPHRD will submit to the European Commission every year starting from 2008 an annual implementation report and a final report after the completion of the programming period. The responsibility for elaborating these reports is to the MASOPHRD in collaboration with the nominated Intermediate Bodies, reports approved by the Monitoring Committee.
The implementation reports should include the following:

- the progress realised in the implementation of SOPHRD and its priorities compared to the established indicators – the stage of the projects implementation;
- the financial implementation – the breakdown on each priority axis of the paid expenditures, their breakdown on national contribution and ESF contribution;
- the stages followed by MASOPHRD and the Monitoring Committee in order to ensure the quality and efficiency of the implementation, especially:
  - the monitoring and evaluation measures, including the data collection arrangements;
  - a summary of all the difficulties meet in the implementation and all the taken measures;
  - the manner of using the technical assistance;
  - the measures taken for the publicity achievement and the information provision regarding SOPHRD;
  - a declaration on the observance of the Community regulations regarding the implementation of SOPHRD;
  - the progress in financing major projects.

The evaluation of SOPHRD

The evaluation of SOPHRD will be carried on according to the EC General Regulation no. 1083/2006, with a view to improve the quality, the efficiency and the consistency of the Community assistance and the implementation of SOPHRD.

Three types of SOPHRD evaluations will be carried on: ex ante, mid term and ex post.

A. Ex ante evaluation

The scope of the ex ante evaluation is to optimise the allocation of the resources and to improve the quality of the Programme. Within the evaluation it will be identified and evaluated the necessities on medium and long term, the objectives to be achieved, the expected results, quantified by the SOPHRD indicators, the coherence of the proposed strategy with the priorities declared at the Community level, the quality of the procedures for the implementation, monitoring, evaluation and financial management. All these will be evaluated according to criteria that attest the relevance, the efficacy, efficiency and the durability of SOPHRD.

The ex-ante evaluation of SOPHRD was carried on within the project PHARE RO 2004/016-772.04.03.01.06-Europe Aid/121373/D/SV/RO “Ex ante evaluation”.

B. Mid-term evaluation

The mid-term evaluation will be carried on at the middle of the programming period (in 2010 at the latest) and will evaluate the progress in relation with the arrangements and objectives initially established. The mid term evaluation of SOPHRD will be carried on by independent evaluators within projects financed under the SOPHRD Technical Assistance Priority.

C. Ex post evaluation

The ex post evaluation will be carried on under the responsibility of the Commission in collaboration with the MA that will provide all the necessary information.

The evaluation will be carried on by independent evaluators and will focus on the way the allocated funds have been used, the efficiency and the efficacy of the ESF programming, the socio-economic impact on the Community priorities.

MASOPHRD will provide all the information requested by the European Commission for
The ongoing of the SOPHRD implementation process

In 2008, 72 Applicant Guides were elaborated for the financing lines launched in there stages, guides approved by orders of the minister of work, as follows:

- 16 Applicant Guides for call for proposals for strategic projects\(^{(2)}\) launched on 15 of February 2008, approved by Order of minister of labour, family and equal opportunities no. 100/14 of February 2008;
- 38 Applicant Guides for call for proposals for grant projects\(^{(3)}\) launched on 16 of April 2008 approved by Order of minister of labour, family and equal opportunities no. 295/15 of April 2008;

The 72 calls for proposals launched in 2008 during the three stages mentioned above had a total financial allocation of almost 1.18 milliards Euro\(^{(4)}\).

On the 15 of February 2008, in the presence of the European Commissioner for Employment, Social Affairs and Equal Opportunities, Mister Vladimir Spidla, at a conference organized at national level, the first call for proposals for strategic projects were launched, opening thus 16 financing lines for PA 1-6 under SOPHRD, with an allocated budget of almost 431 millions Euros. Later on, on the 16 of April 2008, in the presence of the representatives of the EC General Directorate Employment, Social Affairs and Equal Opportunities, 38 financing lines were launched and on 8 July 2008, 18 financing lines were opened through a new launching of call for proposal for strategic projects with an allocated budget of almost 451 millions Euros.

The following results were registered at the level of 2008:

- 2,482 submitted projects with a value of almost 2.4 milliards Euro non-reimbursable financing;
- 757 evaluated projects with a value of almost 795 millions Euro non-reimbursable financing;
- 254 selected projects (out of which 2 projects have been withdrawn) with a value of almost 385.5 millions Euro non-reimbursable financing;
- 2,085 on evaluation projects with a value of almost 1.61 milliards Euro non-reimbursable financing;
- at the end of 2008 there have been signed contracts for 110 projects, the list of the beneficiaries whose projects have been contracted up to 31 of December 2008 being available on www.fseromania.ro\(^{(5)}\);
- 107 strategic projects with a value of almost 283 millions Euro non-reimbursable financing;
- 3 projects under PA 7 “Technical Assistance” with a total value of 0.54 millions Euro non-reimbursable financing.

As a result of the information and publicity actions organized in 2008 the number of submitted strategic projects launched on 8 July 2008 increased as a share of the total submitted projects on the first stage from 10% to 16% and as a requested value they represent 173% as for the requested value of the strategic projects submitted on the first stage.
The greatest number of strategic projects was submitted after the launching from 8 July 2008 under the PA 3 on the adaptability of workers and enterprises (29%) and PA 6 on promoting social inclusion (22%) and PA 1 on education system (22%).

The categories of eligible beneficiaries under SOPHRD are public institutions, private with patrimonial scope organizations, private without patrimonial scope organizations such as non-governmental organizations, trade unions, employers associations, legally constituted in Romania. Out of the total beneficiaries who signed contracts in 2008 the public institutions represent 72%, out of which 50% are public institutions at central level.

In 2008, 28 projects were contracted which will be implemented with national and transnational partners, with a value of almost 92 millions Euro non-reimbursable financing, out of which 8.9 millions Euro are dedicated to transnational activities and 8 projects with a value of almost 24 millions Euro non-reimbursable financing, out of which 2.3 millions Euro will be used for transnational activities.

Transnational partners involved represent in general organizations without patrimonial scope and education institution from other 11 EU Member States: Austria, Belgium, France, Germany, Greece, Italy, Great Britain, Holland, Portugal, Spain and Hungary.

80% of the projects contracted in 2008 contribute to the promotion of ICT and innovation, to the development of informational society, a society where information and ICT are used on a large scale and at reduced costs, development of knowledge based society for highlighting the fact that the most valuable acquisition is the investment in intangible human and social capital and that the key factors are knowledge and creativity.

In this context, 34% of the contracted projects in 2008 contribute to the promotion of active ageing, comprising activities such as: active implication of the persons aged over 55 years employed in enterprises in assisting the students during their apprenticeships in the transition from school to active life, specific actions for stimulating the entrepreneurial potential of aged persons, involving the aged persons in the structures of social economy with a positive impact on the relations between generations at the local community level. Vocational training programs are also developed, specific for aged persons for promoting the concept of lifelong learning.

**Correlating the implementation with the Action Plan for 2008 related to National Plan for Lisbon Reform**

In accordance to the EC evaluation on the progresses made by Romania in implementing PNR, the Council formulated four specific country recommendations, including the implementation of an integrated approach for increasing the employment, the activity rate and the productivity levels. The 4 specific country recommendations are: reducing the early school leaving; increasing significantly the participation of adults to education and training; transforming the subsistence semi-subsistence agriculture in a durable employment activity; accelerating the reforms in the education system in order to respond more efficiently to the existing needs on the labour market.
The priorities and financial allocations of SOPHRD are in accordance and support the interdependent objectives of Lisbon Strategy: total employment (increasing the general employment rate to 70%, increasing the employment rate for women to 60% and increasing the employment rate for aged persons to 50%), increasing the quality and productivity of work, strengthening the cohesion and social inclusion. Almost 93.27% of the ESF financial allocation for SOPHRD 2007-2013 supports the objectives of Lisbon Strategy.

SOPHRD contributes to the implementation of the measures established within the Action Plan for 2008 related to PNR, through: supporting the training and managerial qualifications, encouraging the corporative responsibilities by offering incentives to employers, raising awareness among employers and employees regarding the necessity of continuous vocational training, improving the quality of employment services, developing social economy, improving the access and participation of vulnerable groups on labour market, promoting equal opportunities on labour market, strengthening and improving the functioning of education and continuous and initial vocational training systems.

Concerning the EU recommendation to accelerate the reforms in the education system in order to respond efficiently to the existing needs on the labour market, in 2008 there were contracted projects with a value of 33.8 millions Euros non-reimbursable financing, which mean a remarkable investment in these areas referred to the indicative financial allocation for the period 2007-2008.

Regarding the reducing of the early school leaving there are implemented projects with a value of 9.5 millions Euro non-reimbursable financing under KAI 2.1 on transition from school to active life which means an effective investment of a third of the indicative financial allocation for the period 2007-2008. For adequately supporting the recommendation on the reducing of early school leaving, in the next period will be accelerated the investment in reducing early school leaving and the delay recovery regarding the selection and contracting of projects that support the transition from school to active life.

For increasing the participation of adults to education and training, under KAI 1.4 there were contracted projects that support CVT with a value of 13.8 millions Euro which mean that the investment in preparing the CVT quality assurance system is to a level of almost 50% of what was proposed as financial allocation level; the significant increase of the participation of adults to education and training is supported mainly by projects that aim at “second chance” education type for adults, education and entrepreneurial culture and projects that support education and training programs for vulnerable groups, in detriment of projects that support the qualification and re-qualification of the labour force and projects that aim to the specialization and further training of persons on labour market or long term unemployed.

For estimating the progresses recorded in transforming the subsistence agriculture
in a durable employment activity, it was invested almost 50% from the indicative financial allocation for the period 2007-2008, which reveals the necessity to continue the investments in human resources from rural area and to accelerate the contracting and the implementation of projects which support this area for contributing to the achievement of the PNR objective.

For realizing the three priorities under SOPHRD and analyzing the situation of the projects contracted in 2008, the following can be concluded:

- Contracted projects that contribute to the SOPHRD priority “Promoting lifelong learning and adaptability of workers and enterprises” have a total value of almost 34 millions Euro, representing 10.11% of the EU financial allocation for PA 2 and 3, for the period 2007-2008. In 2008 there were contracted 18 projects under PA 2 and 3, having a share of 12% of the total value of the contracted projects.

- Contracted projects that contribute to the SOPHRD priority “Promoting active employment measures” have a total value of almost 89 millions Euro, representing 22.02% of the EU financial allocation for PA 4, 5 and 6, for the period 2007-2008. In 2008 there were contracted 35 projects under PA 4, 5 and 6, having a share of 31.57% of the total value of the contracted projects.

- Almost 63.66% of the EU financial allocation under PA 1 for 2007-2008 has been contracted under projects that contribute to the SOPHRD priority “Modernizing the education and vocational training system in support for economic growth and development of knowledge based society”. In 2008, 54 projects under PA 1 were contracted, with a total value of almost 170 millions Euros, having a share of 58.4% of the total value of the contracted projects.

As a conclusion, taking into consideration the contribution of SOPHRD to the achievement of the Lisbon Strategy objectives, reported to the total value of the contracted projects in 2008 and the EU financial allocations for 2007-2008, priority 3 of SOPHRD “Education and training in support for economic growth and development of knowledge based society” supported by a contracting rate of 63.66% show a huge investment supported by ESF for the modernization of educational and continuous and initial training system.

V. Perspectives on the efficiency of implementing Sectoral Operational Programme Human Resources Development in Romania

Having an efficient approach in the implementation plan of the SOPHRD supposes taking into consideration the evaluations carried on, the measures and recommendations aimed for this and not at last the importance given by the politic governors.

A. The recommendations of the ex-ante evaluation were included in the Programme and the Report of the ex-ante evaluation was submitted with SOPHRD to the EC. Generally, the ex-ante evaluators highlight some specific aspects that need to be taken into account within the analysis and the strategy. These are:

- SOP has almost no prognosis. After approaching the problem of transition from an agricultural and (state) industrial economy to a services economy, there is still a threat for the Romanian economy concerning the human resources sector. This is the problem of ageing population.
A greater attention should be paid to the sectorial approach that involves the social partners. The policies from the labour market, technical and vocational education, CVT and maybe the university education sector should be organized according to a differentiate sectorial approach. The development of territorial agreements on employment (combined with the tripartite structure of NAE at county level) need also a special attention in the initial stage of the SOPHRD interventions.

The activities at regional and sectorial level need also a better coordination between different sectorial OPs such as ROP, SOP IEC and SOP agriculture.

A sort of attention can be paid to temporal aspects on the complementary interventions: which activities should be first carried on (for example, teachers and trainers training, strengthening NAE, awareness campaigns with social partners and regional stakeholders, the ulterior development of the qualification system for technical and vocational education, etc.) and what activities should follow? From this perspective it is also useful to analyze the progress registered already under PHARE Programme.

B. The problems registered in 2008 determined the elaboration of a set of specific measures for each priority axis, for the efficiency of the activities of launching, evaluations and implementation of SOPHRD applications, aspects synthesized in the table below.

**Adopted measures for solving the problems registered in 2008**

<table>
<thead>
<tr>
<th>Priority Axis</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Education and training in support for growth and development of knowledge based society</td>
<td>• The formation of more Evaluation Committees for the calls for proposals for grant projects managed at the level of MERI IB and the supplementation of the employed persons; • Organization of vocational specialized sessions for the evaluators; • Legislative modifications for the status and fiscal situation of the pre-university education institutions and research institutions.</td>
</tr>
<tr>
<td>2. Linking life long learning and labour market</td>
<td>• Modification of the pre-financing conditions stipulated by the OMPF no. 911/2007; • Modification of the GO no. 29/2007, art.17.1 so that MA can delegate the commitment and payment of expenses towards any type of credit coordinator with IB role; • The formation of more Evaluation Committees for the calls for proposals for grant projects managed at the level of MERI IB and the supplementation of the employed persons in the Contracting Compartment within MERI IB; • Organization of vocational specialized sessions for the evaluators; • Legislative modifications for the status and fiscal situation of the pre-university education institutions and research institutions.</td>
</tr>
<tr>
<td>3. Increasing adaptability of workers and enterprises</td>
<td>• Externalization of the evaluation and selection activity (use of independent evaluators); • Organization of information and preparing sessions for potential beneficiaries for completing the application form and elaboration of good quality projects.</td>
</tr>
<tr>
<td>4. Modernizing the public employment service</td>
<td>• Supporting the beneficiaries on the correctness and completeness of the documentation through the elaboration by MA of detailed verification lists and their submission to the beneficiaries for completeness; • Modifying the Ordinance no. 29/2007 in order to clarify the working situation in the case when NAE IB has partially the payment function delegated.</td>
</tr>
<tr>
<td>5. Promoting active employment measures</td>
<td>• Externalization of the evaluation and selection activity (use of independent evaluators); • Organization of information and preparing sessions for potential beneficiaries for completing the application form and elaboration of good quality projects.</td>
</tr>
<tr>
<td>6. Promoting social inclusion</td>
<td>• Externalization of the evaluation and selection activity (use of independent evaluators); • Organization of information and preparing sessions for potential beneficiaries for completing the application form and elaboration of good quality projects.</td>
</tr>
<tr>
<td>7. Technical assistance</td>
<td>• Renewal of the terms of reference by eliminating the criterion “experience/vocational training” in the evaluation stage and its use in the offers qualification/selection and the re-launching of the acquisition procedure.</td>
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</tbody>
</table>

C. Within the Governance Program 2009-2012 in the Chapter 7 Labour Market activities for applying the four objectives related to this section are stipulated.
Governance objectives and action directions on labour market 2009-2012

<table>
<thead>
<tr>
<th>Governance objectives</th>
<th>Action directions</th>
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</thead>
<tbody>
<tr>
<td>1. Equilibration of labour market and reducing the sectorial labour market deficits</td>
<td>• Increasing the employment level to almost 59% in present and to minimum 65% in 2012;</td>
</tr>
<tr>
<td>2. Increasing the flexibility level of labour market</td>
<td>• Increasing the participation to continuous vocational training from 2% to minimum 7% of population aged between 25-64 years; supporting the establishment and functioning of sectoral committees;</td>
</tr>
<tr>
<td>3. Improving the access on labour market of vulnerable groups, developing the</td>
<td>• Increasing the gross minimum salary on economy to reach 50% from gross average salary on economy until the end of 2012;</td>
</tr>
<tr>
<td>inclusive labour market and active ageing</td>
<td>• Increasing the gross average nominal salary on economy in 2009-2012 with 55%;</td>
</tr>
<tr>
<td>4. Strengthening the social dialogue at all levels for increasing its contribution to</td>
<td>• Elaboration of a unitary payment system for public servants and contractual budgeter persons that will have differentiation criteria and the correlation of salaries between functions and areas of budget activities;</td>
</tr>
<tr>
<td>the economic and social development</td>
<td>• Efficient absorption of European financial resources for human resources development in order to ensure the support for vocational and occupational training;</td>
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<td></td>
<td>• Simplifying the hiring and dismissal procedure along with measures for the security of working places;</td>
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<td></td>
<td>• Supporting the dialogue employer-employee in the flexibility of working time, facilitation of occupational, professional and geographical mobility;</td>
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<td></td>
<td>• Reorganizing the county agencies for employment and vocational training;</td>
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<td></td>
<td>• Restructuring the vocational training centers for public services and their placement in the competitively system for employment and vocational training;</td>
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<tr>
<td></td>
<td>• Stimulating through fiscal measures the participation of employees to continuous vocational training;</td>
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<tr>
<td></td>
<td>• Ensuring vocational training services for persons from rural area and from vulnerable groups;</td>
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<tr>
<td></td>
<td>• Stimulating the persons with pension age to remain on the labour market and attracting in activity the pensioned persons able to work;</td>
</tr>
<tr>
<td></td>
<td>• Intensifying the legislative process of applying institutional measures that aim at reducing the undeclared work;</td>
</tr>
<tr>
<td></td>
<td>• Re-dimensioning of the competences and attributions of control institutions for increasing the exigency and the responsibility for the control of working reports as well as for ensuring the health and safety at work;</td>
</tr>
<tr>
<td></td>
<td>• Revising the whole law package on trade unions, employers unions, collective negotiations, working conflicts;</td>
</tr>
<tr>
<td></td>
<td>• Revitalizing the social dialogue, including the participation of multinational companies.</td>
</tr>
</tbody>
</table>

Source: Governance Program 2009-2012.

As a result of strengthening the absorption process of structural funds and of the implementation of a subsequent mechanism for this purpose, 3,126 projects with a value of 2.48 milliards Euro have been submitted under SOPHRD until 24 of July 2009. The value EU + state budget of projects submitted until 24 of July 2009 exceeded the allocation EU + state budget 2007-2009, representing 216.12% reported to this. From the submitted projects, a total number of 2,868 projects with a value of 2.30 milliards Euro (EU funds + budget state) have been evaluated; this represents 93% of the total projects submitted until 10 of July 2009. 258 projects are also on the evaluation process, with a value of 186.18 millions Euro (EU funds + budget state).

In accordance with the measures applied as a result of the problems encountered in 2008, the following can be concluded:

- The EU value of the signed contracts reported to the EU allocation 2007–2009 is 39.54%
- The number of the signed contracts until the 31 of December 2008 is 36.18% of the total number of the signed contracts
- The number of the signed contracts between the 1 of January – the 24 of July 2009 is 70% of the total number of the signed contracts
- The payments paid until the 24 of July 2009 is 3.9% of the allocation EU + state budget 2007-2009 for SOPHRD.
Harmonization with the cohesion policy for combating the crisis

In accordance with the Report of the European Council of 11 of March 2009 (6452/09 SOC 96 ECOFIN 115 EDUC 22+COR 1), the majority of the labour markets of the EU Member States were not seriously affected by the recent economic decline and it was observed that between 2007-2008 over 6 millions of new jobs were created and the unemployment was under 7%, the lowest of the last decade. The employment rates continued to raise in EU reaching a level of 65.5% out of which 58.3% for women and 44.7% for old persons, bringing thus European Union more close to the objectives of Lisbon Agenda. Increasing in the deterioration period the participation rates of the consumers trust and the employment expectancies may be considered as a positive development. The structural unemployment continued to decrease up to 7.6% in 2008 and it was significantly lower than that registered in 2000. This indicator confirms also the positive structural impact of the Lisbon reforms implemented in the last years that facilitated demonstrably the transitions of the European labour markets and overcame the barriers for creating new jobs. For the same reasons, the high unemployment is expected to be transitory and to become rapidly close to the low rates of the last years when the real economy will recover.

Nowadays some Member States are clearly in the recession process and the decline started to affect the labour markets. The increase of the employment in the European Union gradually slowed, estimating it to 0.9% while the unemployment continued to increase. In the current conditions of economic contracting and of negative increasing employment projections for 2009, is very clear the fact that the objectives for 2010 are hard to reach.

It is expected that Member States will confront in 2009 a decline of the employment rate and an increase of the unemployment. The economic prognosis given by the European Commission in January 2009 suggests the fact that the employment will decrease with 2% in 2009-2010, while the unemployment will increase with 2.5% in the next two years, reaching an average level of 9.5% in 2010.

Moreover, the available forecasts suggest that the impact of crisis will probably “hit” Member States differentially: some expect a serious impact; others anticipate only moderate regressions within labour market.

The EU cohesion policy contributes in an important measure to the combating of the global financial crisis and the current economic slow down. The cohesion policy strongly supports the public investments, including those at local and regional level. It is the most important expression of the European solidarity and aims at supporting the most underprivileged European citizens. In 2007-2013 the cohesion policy will invest 347 milliards Euro for strengthening the increase and consolidation of the social and economic cohesion(7). Together with other financial instruments of the cohesion policy, ESF
plays an active role in the European action plan for recovery adopted by European Commission on 29 October 2008. This action plan stipulates a new EU architecture for financial markets, efforts for creating jobs and for stimulating the increase, as well as a global reaction towards the crisis on the financial markets.

The triple approach of this strategy is detailed in an European plan for economic recovery, general and coordinated, presented on 26 of November. This plan provides for 2009-2010 a fiscal stimulation with focused and temporally effect of 200 milliards Euro, i.e. 1.5% of EU GDP.

The European cohesion policy contributes in a considerable measure to this plan. The Commission proposed a serial of measures both legislative and of other nature in order to accelerate the project implementation in the field and to offer trust and dynamism to the European economy. EC proposed the acceleration of the payments towards Member States and the facilitation of the access to Structural Funds.

These advances are meant to ensure an immediately liquidities flow in the initial phase of the programming period, in order to facilitate the payments towards the projects beneficiaries. Member States have the obligation to respect the minimum national co-financing rates established by Regulations (between 15% and 50%, depending on the programme), but the system is flexible.

On 16 of December 2008 the European Commission issued a third Communication, complementary to the European Plan for Economic Recovery, where it is shown how the cohesion policy can contribute to the real economic recovery in Europe.

EC recommends to Member States actions for benefiting of the cohesion policy and its benefits. In the Communication there are also presented measures for accelerating the implementation of the operational programmes.

Having a European investment budget of 347 milliard Euro, available until 2013, this policy will stimulate the economy on short term, putting also the basis for the increase on a long time.

When the unemployment registered rate in June in Romania was 6.0% related to 5.8% in May 2009 and to 3.7 in the same month of 2008 (NAE, 06.07.2009), it is nuanced the extremely important role of SOPHRD in supporting those at risk of losing jobs. The economic and financial crisis manifested itself accentuated, following a spiral line in Romania when it is absolutely necessary to intervene in the same measure the recessive process intensifies.
Notes

(1) ***, Council Regulation (EC) no. 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund.

(2) Strategic projects are projects implemented at national, multi-regional or sectoral level, with values between 500,000-5,000,000 Euro in Lei equivalent.

(3) Grant projects are projects implemented at regional, multi-regional or local level, with values between 50,000-499,999 Euro in Lei equivalent.

(4) The exchange rate used was 3.8688 Lei/1 Euro.


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