
*The impact of the structural funds in
the process of the transformation in
new EU member states*

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Objectives

- The funds architecture provided by the EU in order to integrate the new member states
 - The new framework of EU structural and cohesion funds for the period 2014 – 2020
 - The benefits of EU structural funds
 - The main constraints concerning the absorption capacity
 - The Romanian case: criteria for identification the economic sectors and the economic sectors that require large investemnts on long term
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Financial instruments:

- European Regional Development Fund
- European Social Fund
- Cohesion Fund

Two complementary actions:

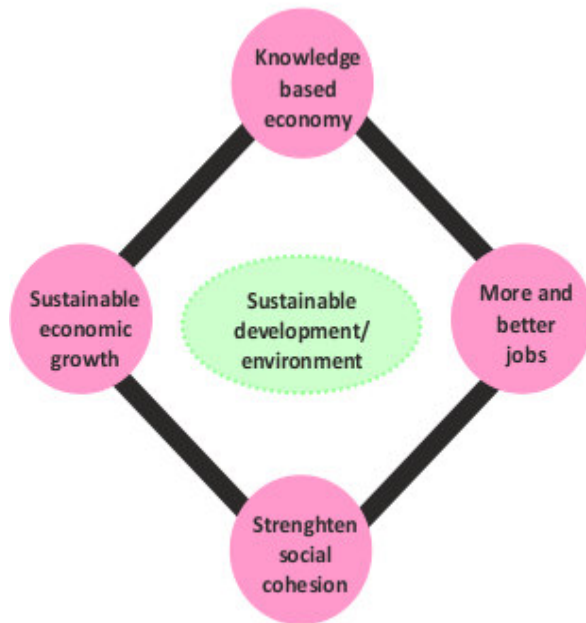
- European Fund for Agriculture and Rural Development
 - European Fisheries Fund
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Total funds allocated to the EU-10 for the period 2007-2013

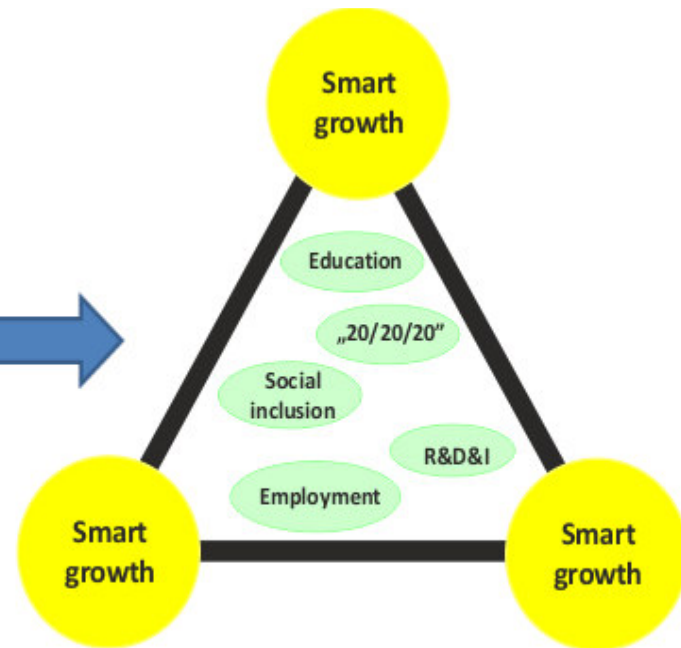
Country	Total assistance (billion euro)	Assistance per capita (euro)	% of GDP
Czech Republic	26.686	2 627	3.5
Estonia	3.393	2 555	4.1
Hungary	25.307	2 561	3.9
Latvia	4.001	1 751	3.9
Lithuania	6.775	2 041	4.2
Poland	67.284	1 773	3.6
Slovakia	11.507	2 102	3.9
Slovenia	4.102	2 082	2.0
Bulgaria	6.674	901	4.0
Romania	19.668	911	3.2
TOTAL	175.397	1 930	

The framework for the next programming period 2014-2020

■ Europe 2020 Strategy



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The funds allocation for the period 2014 - 2020

Cohesion Fund*	68.7
Less developed regions	162.6
Transition regions	38.9
More developed regions	53.1
European Territorial Cooperation	11.7
Outermost regions and sparsely populated areas	0.9
Total	336

Absorption capacity

- Definition: The extent to which a member state is able to spend the financial resources allocated from the structural funds in an effective and efficient manner

Connotations:

- Macroeconomic absorption capacity
 - Financial absorption capacity
 - Administrative capacity
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Factors

- The global context: interaction and interrelations between individuals, institutional organizations
 - Institutional factors: the transparency of funds allocating process, the bureaucracy, the political system
 - The long process of approval for the programmatic documents, the mechanism of financial control, too many exhaustive audits
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Economic effects of structural funds

- A reduction in the gap between countries in GDP per capita
 - A growth of productivity rate
 - A creation of new jobs
 - A increase of the investment rate
 - A growth of the export
 - The development of the regions
 - A increase of the deficit
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The structure of the Romanian economy

- A reduction in the overall share of the agriculture with 67.39%
 - A reduction in the share of the industry with 29.1%
 - An increase in the share of services with 32.12%
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The future policy options

- The high-tech sector
 - The sector equipment and complex technological lines
 - The service sectors with strong creative input
 - The tourism
 - The public sector
 - The regional development
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Conclusions

- European funds represent a benefit offered to eliminate disparities
 - A unique opportunity of the increase and speed up of the catching-up process
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Thank you for your attention!
