Improving funding schemes for fostering Circular Economy in Romania

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North-East Regional Development Agency
Ljubljana

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Romania | In Europe
19,588,146 inhabitants (2017)

North-East Region | In Romania
3,302,217 inhabitants

46% rural | 54% urban

58% rural | 42% urban
North-East Region - statistical region, not administrative
Regional Development Board – deliberative body
North-East Regional Development Agency – executive body

6 counties, 552 territorial administrative units
16.4% of total Romania’s population
36,850 sqkm - 17.6% of Romania’s territory

Resident population:
- Iasi County: 789,887
- Neamt County: 446,809
- Botosani County: 385,011
- Bacau County: 590,427
- Vaslui County: 379,144
- Suceava County: 626,017
Economic context

• **55,991 active enterprises** (11% of total national) - 2016
  - Micro-enterprises/total active enterprises: **89%** (2016);
  - SMEs/ total active enterprises : **9%** (2016);

• **Active employed population** in the region: **1,213,500 persons** (2017) – **13.9%** of total active population of Romania, of which active in:
  - services: **42%**
  - agriculture: **41.5%**
  - industry: **16.4%**

• **79** research-development-innovation units;
• **8 active clusters** – molecular imaging, textile, tourism, new media, IT&C, foodstuff industry, biotechnology, agriculture and **6 emergent clusters**
North-East RDA Romania

- non-governmental, non-profit making, public utility organisation;
- Established in 1999 according to Regional Development Law;
- Member of EURADA since 2002 and ERRIN since 2018
- Founding member of:
  - Romania – Moldova Cross-Border Cooperation Office;
  - Romania – Ukraine Cross-Border Cooperation Office;
  - National Association of RDAs in Romania

OBJECTIVES:
- Increasing the role of North-East RDA in planning, programming and implementing development programmes
- Promoting the North-East RDA and the North-East Region at regional, national and international levels

ROLE: Intermediate Body for Regional Operational Programme 2014-2020
Regional Allocation for North-East

- FEDR + contribuție națională -

**Technological transfer** = 60,42 MEuro

**SME's competitiveness** = 176,30 MEuro

**Energy efficiency** = 196,40 MEuro

**Urban Development** = 242,84 MEuro

**Urban regeneration and cultural heritage** = 56,09 MEuro

**Transport infrastructure** = 137,45 MEuro

**Tourism** = 15,33 MEuro

**Social care and health** = 81,57 MEuro

**Disadvantaged communities** = 15,69 MEuro

**Education** = 45,78 MEuro

**Cadaster – national allocation**

**Technical Assistance**

**Urban regeneration - small towns** = 27,02 MEuro

**RNE 2014-2020 (FEDR+ national contribution): 1039,23 MEuro**
WHAT WE WANTED TO DO?

ROP (1 billion Euro for North-East Region) targets at improving economic performances, living conditions and employment; even if containing thematic objectives targeted at enhancing resource efficiency and sustainability, circular economy is absent.

The three actions proposed by the North-East RDA aim to tackle the barriers that can be overcome through specific and rapid actions that demonstrate the potential of CE for the local and regional economies.

Some specific vulnerabilities identified during the holistic diagnosis, that proved to be policy gaps as well, supported by the strengths of the region led to the actions to improve the framework conditions, on three levels:

- **Funding policy level**: ensuring access to funding for stimulating CE investment projects under ERDF;
- Facilitation of waste reduction (environment policy): knowledge on secondary raw material standardization for reuse;
- Exemplary role of local communities (local policies for social wellbeing): planning for sustainable local development and awareness raising, by example.
WHAT WE SUCCEEDED?

**ACTION 1 – Improving specific funding schemes for fostering circular economy and the systemic design approach**

*9 dissemination* events for potential beneficiaries (SMEs) under the Regional Operational Programme, underlining the importance of including Circular Economy elements

*10 projects financed* under ROP, PA 2.1, targeted on Circular Economy

Efforts to be continued....
WHAT WE SUCCEEDED?

ACTION 1 – Improving specific funding schemes for fostering circular economy and the systemic design approach

The inclusion of the 2nd NACE code among the eligible criteria for investment projects, under the calls for proposals launched for the PA2 of the ROP 2014-2020, condition that is now not supported under this PA.

The ROP 2014-2020 PA 1 creates the framework for ensuring a TT between research organizations and companies to collaborate and to exploit the potential of scientific research results. Our action focused on encouraging the collaboration for cascade use, reuse, and recycling of materials.

The ROP Managing Authority agreed to include this provision under Prority Axis 1 (North-East RDA proposal) and for PA 2 this became a real option in Autumn 2019.

The guidelines issued “under consultation” were improved according to our recommendation.
A small step for the Regional Operational Programme, a huge step for Circular Economy...... or viceversa 😊
Thank you!

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