

## ROMANIA WITHIN THE REALMS OF THE EFTA

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**Abstract.** *Romania entered the European Union in 2007 and from then on, two important countries outside of the European Union started to help with financial grants. Norway and Switzerland from the European Free Trade Association. Several programmes and projects have been founded since and are still in work. The aim of this article is to present briefly the EFTA and the financial aid programmes of the two countries. Also, at the end of the article, there will be a short and non-representative comparison of projects founded by the two countries. But the article also wants to show how well do the involved institutions inform the general public by means of websites and electronic documents, stats and data.*

**Keywords:** *EFTA, Swiss-Romanian-Cooperation-Program, Norwegian Grants to Romania, EEA-Grants to Romania, financial contribution and help.*

*A brief introduction to the relation between Romania and the four countries of the European Free Trade Association. With a small comparison of projects in Romania financed by Switzerland and Norway.*

### **Introduction**

Before we go into the analysis, I would like to have a few words on the sources and method which helped develop following article. The method is simple content analysis, the aim is to describe and reproduce the content of official communication<sup>1</sup>. The sources are all official, that means only those documents have been taken into account, which are emitted by the involved institutions like official government websites, statements and informations, treaties or statistics. The guiding question will be: How well does the sender, in our case the institution or organization, inform the recipient, in our case the broad public, about the matter at hand? But the endeavor is not only of analytical nature, you will notice there are no authors mentioned in the bibliography at the end. There are two reasons for that, one is I wanted to get a close and unbiased picture of the situation, no interpreted or second-hand information was consulted. Second, I wanted to see how much information can be obtained without having to rely on other authors and their research. More like a transparency check.

Also the article will be a description of the relations and implications, there will be no interpretation of the events nor a conclusion following the actions. It will be up to the reader to form an opinion and judge the happening. I will only summarize the quality of the analysis at the end. The article will start with a description of the EFTA, followed by illustrating the relations between Switzerland and Romania and the relations between

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<sup>1</sup> Diekmann, A. *Methoden der empirischen Sozialforschung* 2003 p. 482

Norway and Romania. At the end, there will be a small, non representative comparison of choosen projects. That will give us an idea of how the two countries handle comparable topics in Romania, especially from a financial point of view.

### **The European Free Trade Association<sup>2</sup>**

As we all know the European Union (EU) is still made up of 28 member states; but if you take a closer look at the European political map, you will notice uncharted territory: Switzerland, Norway, Island and Lichtenstein. These four countries are not part of the EU but the European Free Trade Association (EFTA). This association was founded 1960 in Stockholm and consisted of Austria, Denmark, Portugal, Sweden, United Kingdom, Switzerland and Norway. In 1961 Finnland became an associated member, in 1970 Iceland became a full member, in 1986 Finnland became a full member and in 1991 Lichtenstein became a full member. But most of the founder members left the EFTA to join the European Economic Community (EEC), starting with Denmark and the UK in 1972, Portugal in 1985 and in 1995 Austria, Finnland and Sweden left to join the EU. Today (2019) there are only four members left: Switzerland, Norway, Iceland and Lichtenstein.

Since the inception of the EFTA, it agreed to several bilateral treaties, the most important is the Luxembourg Declaration of 1984 on broader cooperation between the EEC and EFTA and the Agreement on the European Economic Area (EEA), signed in Porto, Portugal in 1992. Switzerland rejected the participation in the EEA though, by peoples referendum. In 1994 the EEA Agreement entered into force between the EU and the five EFTA states. But right after it, three countries left the association. Today there are only Norway, Iceland and Lichtenstein left as full participants in the EEA Agreement. The EEA Agreement is regularly revised in order to bring it in line with developements in the relevant EU laws, the so called „acquis communautaire“. Switzerland did not take part in the EEA Agreement but it benefits from an observer status in the EFTA pillar of the EEA. This allows them to closely monitor and follow developements of the EEA and the EUs acquis communautaire. Since the early 1970s, Switzerland negotiated a series of bilateral sectoral agreements, first with the EEC and after with the EU<sup>3</sup>.

But what is the EFTA and what does it stand for? Unlike the EU, the EFTA is not a customs or monetary union although the original purpose was to remove customs duties on industrial products in trade among its member states. It is an intergovernmental organisation but the individual member states are basically free to set their own customs tariffs and arrange other foreign trade measures vis-a-vis non-EFTA states<sup>4</sup>. As stated, EFTA is an intergovernmental organisation and it was set up for the promotion of free trade and economic integration between its member states<sup>5</sup>. The main tasks of the association are threefold<sup>6</sup>:

- Maintaining and developing the EFTA Convention, which regulates economic relations between the four member states.

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<sup>2</sup> [www.efta.int/About-EFTA/EFTA through the years](http://www.efta.int/About-EFTA/EFTA%20through%20the%20years) Website consulted November 2019.

<sup>3</sup> [www.seco.admin.ch/seco/Aussenwirtschaftspolitik\\_Wirtschaftliche\\_Zusammenarbeit/internationale\\_organisationen/efat/EWR.html](http://www.seco.admin.ch/seco/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/internationale_organisationen/efat/EWR.html) Website consulted November 2019.

<sup>4</sup> [www.seco.admin.ch/seco/Aussenwirtschaftspolitik\\_Wirtschaftliche\\_Zusammenarbeit/internationale\\_organisationen/efat.html](http://www.seco.admin.ch/seco/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/internationale_organisationen/efat.html) Website consulted November 2019.

<sup>5</sup> [www.efta.int/About-EFTA/european-free-trade-association](http://www.efta.int/About-EFTA/european-free-trade-association) Website consulted November 2019

<sup>6</sup> Ibid.

- Managing the EEA Agreement, which brings together the member states of the EU and three of the EFTA states – Iceland, Lichtenstein and Norway – in a single market, also referred to as the internal market
- Developing EFTAs worldwide network of free trade agreements

The EEA Agreement is the most important agreement for EFTA and therefore requires a short presentation. The EEA Agreement brings together the 28 EU member states and the three EEA EFTA states Norway, Iceland and Lichtenstein in the internal market governed by the same basic rules<sup>7</sup>. Under the EEA Agreement, Norway and Norwegians (valid for Iceland and Lichtenstein too but not for Switzerland, they have the Bilateral Agreements I and II) have the same rights and obligations as other EEA countries citizens when it comes to trade, investment, banking and insurance, and buying and selling services. They also have the same right to work, study and live in other countries in the EEA<sup>8</sup>. It also guarantees the EU single market's four freedoms, as well as non-discrimination and equal rules of competition through the EEA area. But that's not all, it covers cooperation in other important areas such as research and development, education, social policy, the environment, consumer protection, tourism and culture<sup>9</sup>.

Now let us have a look at the important institutions of the EFTA. The institutional framework for the EEA Agreement is often described as having a two-pillar structure: the EFTA states and the EU. There are four joint EEA institutions in which representatives of the EEA EFTA states and representatives of the EU meet: the EEA Council and the EEA Joint Committee, which can be seen as forming a bridge between the two pillars, and the EEA Joint Parliamentary Committee and the EEA Consultative Committee, in which parliamentarians and social partners from the two pillars meet. The most important institutions in the EFTA pillar are the EFTA Standing Committee, the EFTA Surveillance Authority and the EFTA Court. There are also two advisory bodies: the EFTA Consultative Committee and the EFTA Parliamentary Committee<sup>10</sup>.

Another difference to the EU is the decision making process. The decision making process in the EEA Agreement is characterised by its two-pillar structure. Substantive decisions relating to the EEA Agreement and its operation are a joint venture with the EU and in the hands of common bodies. The EEA EFTA States have not transferred any legislative competencies to the EEA institutions and they are unable, constitutionally, to accept direct decisions by the Commission or the European Court of Justice. To cater for this situation, the EEA Agreement established EEA EFTA bodies to match those on the EU side. The EEA EFTA States take all decisions by consensus as opposed to the EU side where decisions related to EEA legislation are normally taken by majority vote<sup>11</sup>. But there are also fields which are not covered by the EEA Agreement:

Common Agriculture and Fisheries Policies (relevant especially for Norway and Iceland). Customs Union. Common Trade Policy. Common Foreign and Security Policy. Justice and Home Affairs. And the Economic and Monetary Union<sup>12</sup>.

Just as a reminder, the *Acquis Communautaire* was mentioned and we should briefly have a look at it<sup>13</sup>. The A.C is a French term referring to the legal order of the

<sup>7</sup> [www.regjeringen.no/en/topics/european-policy/eos/](http://www.regjeringen.no/en/topics/european-policy/eos/) Website consulted November 2019.

<sup>8</sup> Ibid

<sup>9</sup> Ibid

<sup>10</sup> [www.regjeringen.no/en/topics/european-policy/eos/eea\\_bodies](http://www.regjeringen.no/en/topics/european-policy/eos/eea_bodies) Website consulted December 2019

<sup>11</sup> [www.efta.int/eea/eea-institutions](http://www.efta.int/eea/eea-institutions). Website consulted December 2019

<sup>12</sup> [www.regjeringen.no/en/topics/european-policy/eos/agreement/](http://www.regjeringen.no/en/topics/european-policy/eos/agreement/) Website consulted November 2019

European Union. It is the cumulative body of EU legislation consisting of primary and secondary legislation. The primaries are treaties and protocols and the secondaries are regulations, directives and decisions. It also consists of the case law of the EU Court of Justice, its most famous is the Cassis de Dijon principle. The *acquis* therefore comprises the objectives of the EU, its policies and rules governing these policies. All member states are bound to comply with the A.C because EU law has primacy over national law and candidate countries have to accept the *acquis* and integrate it into their own legal system. Another reminder are the four freedoms of the EU<sup>14</sup>. Thanks to the Single Market, people, goods, services and money can move around the EU almost as freely as within a single country. These four indivisible freedoms of movement have become an integral part of daily life in Europe, the Single Market is one of the EU's greatest achievements. The Norwegian government website goes deeper into details<sup>15</sup>:

The principle of free movements of goods ensures that products originating in an EEA state may circulate freely within the internal market. Customs duties and quantitative restrictions of trade on such products are prohibited within the EEA. Through the free movement of persons, all EEA nationals have the right to work in any other EEA state. Under the EEA Agreement individuals and companies enjoy freedom of establishment and the right to provide services across the EEA on equal terms. The free movement of capital enables cross-border investments by residents and companies in the EEA, without discrimination on grounds of nationality, place of residence or place of establishment.

With this more extensive explanation, we can see that the four freedoms are extended to the three countries of the EFTA, Norway, Iceland and Lichtenstein. Switzerland has its own bilateral agreements with the European Union, with similar freedoms. After this brief overview, let us have a look at Switzerland and Norway and at their connection to Romania.

### **The Swiss-Romanian-Cooperation Program**

The following chapter will depict the relations between the EFTA country Switzerland and Romania. But this will not be a history lesson about Swiss-Romanian-relations from the past, we will talk only about the relations since Romania entered the European Union in 2007.

In 2006, the Swiss Federal Council and the Council of the European Union signed the Memorandum of Understanding regarding the Swiss financial assistance for the 10 Member States that acceded to the EU on May 1. 2004. Switzerland made an overall contribution of 1.302 billion CHF to support 210 projects in the EU-10 countries<sup>16</sup>. The aim of this financial mechanism is to reduce the economic and social disparities within the enlarged European Union and between different regions of development of the beneficiary countries. In 2008, the Swiss Federal Council has decided to increase the Swiss financial contribution for Romania and Bulgaria. Therefore, in 2009, the Swiss Parliament

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<sup>13</sup> [ec.europa.eu/agriculture/glossary/acquis-communautaire\\_en](http://ec.europa.eu/agriculture/glossary/acquis-communautaire_en) Official website of the European Commission, consulted November 2019

<sup>14</sup> [ec.europa.eu/commission/sites/beta-political/files/factsheet\\_single\\_market.pdf](http://ec.europa.eu/commission/sites/beta-political/files/factsheet_single_market.pdf). Document available from the European Commission website, under Publications: The Single Market: Europe's best asset in a changing world.

<sup>15</sup> [www.regjeringen.no/en/topics/european-policy/eos/agreement/](http://www.regjeringen.no/en/topics/european-policy/eos/agreement/) Website consulted November 2019

<sup>16</sup> [www.eda.admin.ch/dam/erweiterungsbeitrag/en/documents/Publikationen/2017-jahresbericht-eb\\_EN.pdf](http://www.eda.admin.ch/dam/erweiterungsbeitrag/en/documents/Publikationen/2017-jahresbericht-eb_EN.pdf). Document downloaded December 2019

approved the additional contribution to Romania with a total amount of 181 million CHF for a payment period of 10 years. As a result, between the Government of Romania and the Swiss Federal Council, the Framework Agreement to implement the Swiss – Romanian Cooperation Programme was signed. The Framework Agreement was approved by the Government Decision no. 1065/2010<sup>17</sup>. The program ran until December 7. 2019, the ten years time frame was divided into two phases, one commitment phase until 2014 and one implementation phase from 2014 until 2019. That means project selection took place within the first five years and by the end of the commitment period, all of the projects had to be completed<sup>18</sup>.

Several federal agencies have taken on duties linked to the enlargement contribution. The Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO) are responsible for the organisation and implementation of the enlargement contribution projects, while the Directorate for European Affairs (DEA) provides support in regard to Switzerland's policy with the EU<sup>19</sup>.

The distribution of the monetary contribution among the thirteen partner states is based on a formula established on the basis of population size and income per capita. Switzerland has concluded bilateral framework agreements with each partner state, which define the project supports after consultation with the partner countries and independently from the EU. The SDC and the SECO through the local offices in Bucharest, are in charge of the programmes' implementation from the Swiss side<sup>20</sup>. On the Romanian side, the „Unitatea Nationala de Coordonare (UNC)“ or National Coordination Unit of the Public Finances Ministry is responsible for the coordination of the activities in regards of implementation<sup>21</sup> and the „Directia Generala de Mecanisme si Instrumente Financiare Europene Nerambursabile“ of the Ministry of Regional Development, Public Administration and European Funds, has the payment authority concerning the founding of the projects<sup>22</sup>. As a sidenote, the Romanian institutions are also responsible for the management of other funds like the Norwegian Funds, detailed in the next chapter.

Now let us have a look at the fields where the projects had been chosen from. Part of Switzerland's activities in Romania are implemented by way of thematic funds. There are a total of seven thematic funds covering key areas: security, civil society, partnerships, Roma integration, health, research and scholarships<sup>23</sup>. But there is more, integrated within the seven funds: stability and support for reforms, environment and infrastructure, promoting private sector and human resources<sup>24</sup>. While the thematic funds are administered by Swiss fund managers (Swiss Intermediate Bodies), the projects supported by the funds are implemented and managed by local executive agencies. This approach also promotes partnerships with Swiss organisations in the relevant thematic

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<sup>17</sup> [www.dpfbf.mdrap.ro/programul\\_de\\_cooperare\\_elvetiano\\_roman\\_en.html](http://www.dpfbf.mdrap.ro/programul_de_cooperare_elvetiano_roman_en.html) Website consulted December 2019

<sup>18</sup> [www.eda.admin.ch/dam/erweiterungsbeitrag/en/Publikationen/jahresbericht-2018\\_EN.pdf](http://www.eda.admin.ch/dam/erweiterungsbeitrag/en/Publikationen/jahresbericht-2018_EN.pdf). Document consulted December 2019

<sup>19</sup> [www.erweiterungsbeitrag.admin.ch/eda/en/foreign-policy/european-politics/contribution-enlarged-eu.html](http://www.erweiterungsbeitrag.admin.ch/eda/en/foreign-policy/european-politics/contribution-enlarged-eu.html). Website consulted December 2019

<sup>20</sup> [dominoproject.bg/en/swiss-contribution-to-the-enlarged-eu](http://dominoproject.bg/en/swiss-contribution-to-the-enlarged-eu). Website consulted December 2019

<sup>21</sup> [www.swiss-contribution.ro/swiss/despreUNC\\_ro.html](http://www.swiss-contribution.ro/swiss/despreUNC_ro.html). Website consulted December 2019

<sup>22</sup> [www.mfinante.gov.ro/acp.html](http://www.mfinante.gov.ro/acp.html). Website consulted December 2019

<sup>23</sup> [www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publikationen/jahresbericht-2018\\_EN.pdf](http://www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publikationen/jahresbericht-2018_EN.pdf). Document consulted December 2019

<sup>24</sup> [www.swiss-contribution.ro/swiss/afisarePagina.html](http://www.swiss-contribution.ro/swiss/afisarePagina.html). Website consulted December 2019

area and ensures that the appropriate Swiss expertise is available. This is decisive for the success of the project because, in many cases, local institutions have not yet acquired the necessary expertise to properly fulfill the project<sup>25</sup>.

The Swiss EDA provides a 2018 report where we can have a look at some achievements so far, so far because the final report will only be available in 2020<sup>26</sup>.

- Promoting economic growth and improving working conditions  
10 (sub-)projects CHF 53 352 250
- Improving social security  
11 (sub-)projects CHF 24 257 382
- Protecting the environment  
14 (sub-)projects CHF 52 169 669
- Improving public safety and security  
22 (sub-)projects CHF 17 999 999
- Strengthening civil society  
(sub-)projects CHF 21 166 970
- Project preparation and technical assistance  
2 (sub-)projects CHF 3 003 730

Total CHF 171 950 000

(Not including the implementation costs on the Swiss side, 9 Million and 50 thousand Swiss Francs)

So much for the numbers, and now let us see who was eligible for the financial aid during the last ten years. The partners and beneficiaries included a broad range from the public and private sectors, also non-governmental organisations and civil society organisations like cities or comunes or environmental agencies and associations but also the national institutions of Romania. The aim was to build partnerships between Swiss and Romanian bodies for enriching the relations between the two countries. Cooperation and institutional partnerships were strongly encouraged, especially in focus areas in which Switzerland contributes particular experience, know-how and technologies<sup>27</sup>.

The Swiss Federal Council is deciding about a second 10 year cooperation programme with a total budget for Romania of 221.5 million Swiss Francs, 40 million more<sup>28</sup>.

### **The Norwegian Funds**

After the short presentation of the Swiss programme, let us have a look at the Norwegian one.

The history of the EEA and Norway Grants covers 25 years of European cooperation starting in 1994 with the EEA Agreement but here too, our focus lies on the time period starting in 2007, after Romania's accession to the EU. There are two relevant

<sup>25</sup> [www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publicationen/jahresbericht-2018\\_EN.pdf](http://www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publicationen/jahresbericht-2018_EN.pdf). Document consulted December 2019

<sup>26</sup> [www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publikationen/jahresbericht-2018\\_EN.pdf](http://www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publikationen/jahresbericht-2018_EN.pdf). Document consulted December 2019

<sup>27</sup> [www.eda.admin.ch/dam/erweiterungsbeitrag/en/documents/Laender/Annex1-Rumaenien\\_en.pdf](http://www.eda.admin.ch/dam/erweiterungsbeitrag/en/documents/Laender/Annex1-Rumaenien_en.pdf). Document consulted December 2019

<sup>28</sup> [www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publicationen/volks-wirtschaft-ungleichheiten-in-der-eu-verringern-2018\\_EN.pfd](http://www.erweiterungsbeitrag.admin.ch/dam/erweiterungsbeitrag/en/documents/Publicationen/volks-wirtschaft-ungleichheiten-in-der-eu-verringern-2018_EN.pfd) Document consulted December 2019

time periods, one is between 2009 and 2014 in which Romania received a total of 306 million Euros from both grants and the second is between 2014 and 2021 in which Romania received 777,7 million Euros from both grants<sup>29</sup>. There are two mechanisms under the scheme, one is funded solely by Norway (the Norway Grants) and supports only 13 countries, which amounts to 179.1 million Euros per year for the 2014–2021 period. The other (the EEA Grants) supporting 15 countries amounts to 221.2 million Euros a year for the same period. The EEA Grants includes contributions from Iceland and Liechtenstein of around 4 % of the total funds<sup>30</sup>. In this article, we take both programmes into consideration since 4% is a very small number and I will not exclude that programme from this presentation.

To ensure a more strategic and sustainable impact, a programme approach was introduced. With this approach, all funding was channelled through multi-annual programmes<sup>31</sup>. A total of 2.8 billion Euros was provided through the approach. The goal of the EEA and Norway Grants is to promote growth and development in Europe, Norway's most important export market. Norway will provide around 388 million Euros (NOK 3.3 billion) a year to 13 of the least prosperous countries in the EU. The EEA and Norway Grants will primarily be used to promote innovation and growth through research, education and increased mobility in the European labour market. This will in turn contribute to reducing the unacceptably high unemployment rate among young people in Europe<sup>32</sup>. We can see the first differences between the two programmes, the time period. The Norway and EEA Grants run seven years, the previous ran five years. But there are more differences, the EEA Grants support more countries than the Swiss funds, a total of 15 countries are beneficiary, Portugal and Greece are in it too<sup>33</sup>.

In the next few lines, I want you to give an overview about the organizational structure of both grants. Public institutions in the donor and beneficiary countries share responsibility for the EEA and Norway Grants. These entities work closely together to achieve the objectives of the Grants. The programme approach of the EEA and the Norway Grants means that considerable responsibility is delegated to the beneficiary countries. Each beneficiary state has a National Focal Point, most often a ministry, which has the overall responsibility of the Grants. Each country also has several programme operators which are responsible for making the funding available to applicants through calls for proposals, appraising applications and selecting and monitoring projects. The committee consists of representatives from the Ministries of Foreign Affairs of Norway. The Financial Mechanism Committee draws up and passes policy, regulations and guidelines, approves all programmes and ensures monitoring, control and evaluations. As the beneficiary countries carry the main responsibility for implementation of the Grants, they likewise hold the responsibility for establishing the management and control systems. This includes a certifying authority and an audit authority. The donor Embassies in the beneficiary countries, in particular those of Norway, take part in the dialogue between the donor and beneficiary countries and play an important role in communicating the results of the Grants. International Intergovernmental organisations and actors play an important role too, as they monitor compliance with international conventions and treaties across

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<sup>29</sup> [eeagrants.org/countries/romania](http://eeagrants.org/countries/romania) Website consulted December 2019

<sup>30</sup> [www.regjeringen.no/en/aktuelt/agreement-norway-eu-grants](http://www.regjeringen.no/en/aktuelt/agreement-norway-eu-grants). Website consulted December 2019

<sup>31</sup> [eeagrants.org/about-us/history](http://eeagrants.org/about-us/history). Website consulted December 2019

<sup>32</sup> [www.regjeringen.no/en/aktuelt/agreement-norway-eu-grants](http://www.regjeringen.no/en/aktuelt/agreement-norway-eu-grants). Website consulted December 2019

<sup>33</sup> [eeagrants.org/about-us/history](http://eeagrants.org/about-us/history). Website consulted December 2019

Europe. Furthermore, they assist in areas linked to human rights, democracy and the rule of law. The International Partner Organizations (IPO) play a similar role to the Donor Programm Partners by providing expertise and strategic advice in their fields. The IPOs for the 2014-2021 funding period are the Council of Europe, the European Union Agency for Fundamental Rights and the Organisation for Economic Cooperation and Development<sup>34</sup>.

The programmes support projects in areas such as environmental protection and management, climate change and renewable energy, justice and home affairs, research and scholarships, civil society, green industry innovation, culture, decent work, and human and social development. New features are introduced in the 2014-2021 programme, 34.5 million Euros of the EEA and Norway Grants Fund for Regional Cooperation and 65.5 million Euros of the EEA and Norway Grants Fund for Youth Employment<sup>35</sup>.

Before we go on to the specific programmes, we have to take a look at the Romanian side of management, in Romania, the Ministry of European Funds through General Directorate for Mechanisms and Non-refundable Financial Instruments is designated as the National Focal Point (NFP), which has the overall responsibility regarding the achievement of general objectives of the EEA Financial Mechanism 2014-2021 and for implementing the provisions of the Memorandum of Understanding<sup>36</sup>.

To sum it up, we can see more significant differences between the two donor country programmes: The fields and programmes which are supported and the organization and coordination. The SRCP does not take a detour via EU bodies or institutions, Switzerland works directly with Romania and does not use any intermediate agencies.

So much for the administration, now let us have a look at the exact distribution of the grants and see which projects received how much founding. There are nine sectors or, like with the SRCP thematic funds<sup>37</sup>:

- Environmental Protection and Management 33 181 250 Euros
- Climate Change and Energy 24 586 399 Euros
- Civil Society 36 330 000 Euros
- Human and Social Development 80 123 478 Euros
- Protecting Cultural Heritage 22 502 351 Euros
- Research and Scholarship 24 500 000 Euros
- Green Industry Innovation 29 700 000 Euros
- Decent Work and Tripartite Dialogue 1 152 000 Euros
- Justice and Home Affairs 25 300 000 Euros

Additionally around 5.6 million Euros for administrative costs and assistance and some reserves.

Totaling 305 950 000 Euros from the 2009-2014 founding

And now for the 2014-2021 founding, there are 12 sectors although if you look closer, you will see that some sectors from the prior programme have been split in two separate ones<sup>38</sup>:

<sup>34</sup> [eeagrants.org/about-us/organisational-structure](http://eeagrants.org/about-us/organisational-structure). Website consulted December 2019

<sup>35</sup> [eeagrants.org/about-us/history](http://eeagrants.org/about-us/history). Website consulted December 2019

<sup>36</sup> [www.ro-cultura.ro/en/about/eea-grants](http://www.ro-cultura.ro/en/about/eea-grants). Website consulted December 2019

<sup>37</sup> [www.eeagrants.org/grants/beneficiary=RO#programmes](http://www.eeagrants.org/grants/beneficiary=RO#programmes). Website consulted December 2019

<sup>38</sup> [www.eeagrants.ro](http://www.eeagrants.ro). Website consulted December 2019

- Local Development 82 352 941 Euros
- Energy 62 826 500 Euros
- Justice 52 941 176 Euros
- Health 47 058 824 Euros
- Research 47 058 824 Euros
- Active citizenship 46 000 000 Euros
- Business development 45 000 000 Euros
- Culture 29 015 294 Euros
- Home affairs 28 235 294 Euros
- Environment 23 529 412 Euros
- Education 14 117 647 Euros
- Social dialogue 2 273 000 Euros

Totaling 777.7 million Euros

So much for the numbers, now let us have a look at the eligibility for funding during the two programmes. The entities eligible for founding are basically the same as the ones from the SRCP, research organizations, companies (small, medium and large sized enterprises)<sup>39</sup>, and any NGO or governmental institution related to one of the outlined topics. There is a call for proposals for every project within each programme and the call defines the framework of the project and what criteria each recipient has to fulfill. If an entity wants to receive foundings, they have to apply for the open calls and meet the respective criteria.

For example, an excerpt from one call for proposals:

*„Eligible applicants: Romanian VET(vocational education and training) schools  
Eligible Romanian partner: A Romanian Company which has signed an  
agreement for students` internship (practical stages) with the applicant institution.“*<sup>40</sup>

### **A comparison between the two countries programmes in Romania**

After going through the legal framework and describing the fields of operation of each countries founding programmes, i would like to use this chapter for a comparison. We will have a look at a non-representative number of projects from similar fields and compare the financial efforts for that specific project and see what the differences are about.

Our first field is energy, more specific, renewable energy projects financed by both founds.

#### **First the SRCP<sup>41</sup>:**

The Swiss-Romanian Cooperation Programme aims to contribute to the sustainable energy management in Romanian cities by improving municipal infrastructure, building capacity and raising awareness about energy efficiency and renewable energy in order to increase living standards, promote economic development and provide a response to climate change. The project was introduced in four pilot cities Arad, Brasov, Cluj-Napoca and Suceava. The direct beneficiaries of the project are municipalities of at least

<sup>39</sup> uefiscdi.gov.ro/www.uefiscdi-direct.ro/resource. Website consulted December 2019

<sup>40</sup> www.eea4edu.ro/wp-content/uploads/2019. Document consulted December 2019

<sup>41</sup> www.eda.admin.ch/erweiterungsbeitrag/en/home/countries/rumaenien/projekte-in-rumaenien.html. Website consulted December 2019

24 medium to large Romanian cities (including Bucharest) and 20 small Romanian cities in poor/underdeveloped regions.

Activities contain elaboration of plans, small actions to enhance sustainable energy management like awareness campaigns, capacity building measures or consultancy and assistance services.

The projects involved investments of 300`000 to 700`000 CHF in thermal rehabilitation of public buildings, heating, energy supply including renewable energy, public lighting and urban planning in general.

The achieved results are: small scale projects in cities of less-favored regions were selected to receive financial support through this program. In these cities, three public buildings were rehabilitated with energy-efficient technologies. Old street lamps were replaced with 11,580 energy-efficient LED lights. It is estimated that thanks to Switzerland's support, the CO2 emissions are reduced by around 1.000 tonnes per year.

The Swiss budget was 10 438 710 million Francs and the duration phase 11.05.2016 - 07.11.2019 (Completed)

#### **Now something similar from the EEA Grants<sup>42</sup>:**

In 2013 the RONDINE Renewable Energy Program was launched in Romania. The aim of the RONDINE Program which is based on the EEA Grants 2009-2014, is sustainable use of natural resources and reducing emissions of greenhouse gases through the use of renewable energy -hydro and geothermal potential. The programme will increase the share of renewable energy in energy generation in Romania. This will be done by way of financially supporting the construction or refurbishment of three or more small scale hydropower plants in order to make them more efficient. Moreover, the programme will support the construction of one or more geothermal heat plants in areas where there already is a heat distribution system in place. The new or refurbished plants, will contribute to replacing fossil fuel with renewable energy. The programme will benefit local public administration, local institutions, enterprises and households.

The EEA budget was 31 million Euros and it is estimated to reduce 16.002 tonnes of CO2 per year. The projects, five in total, started in March 2014 in Ilfov county, in Oradea, in the Somes Tisa region in northern Romania, in Tarcau and in Timis county.

#### **Another topic of interest is the Roma inclusion and projects related to it.**

##### ***Again, first the SRCP<sup>43</sup>:***

Economic Empowerment through Social Businesses in the community of Grădinari, in Olt county, is a project implemented by a consortium led by Social Economy Development Foundation and aims at developing social economy entities in Grădinari in order to improve the living conditions of the local residents. The involved parties are Heart to Heart from Sweden, the town hall from Grădinari and The Federation of Employers from Oltenia. The value is 300`000 Swiss Francs and duration was between 01.03.2016 and 30.11.2018.

The goal is to empower the Roma people from Grădinari (who live in poverty) to improve the living conditions in their community by higher capitalizing of the vegetables they grow locally. To increase by the end of the project with at least 20% the added value

<sup>42</sup> [orkustofnun.is/media/skyrslur/RENEWABLE-ENERGY-IN-ROMANIA-SUPPORTED-BY-EEA-GRANTS.pdf](http://orkustofnun.is/media/skyrslur/RENEWABLE-ENERGY-IN-ROMANIA-SUPPORTED-BY-EEA-GRANTS.pdf). Document consulted December 2019

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of the products the Roma farmers from Grădinari are selling. To extend the market through increasing local associability of the farmers from Grădinari legalizing their businesses (as cooperatives or other business structures able to sign trade contracts and to issue required trade documents) appealing at the retailers' CSR (corporate social responsibility) policy to contract their vegetables in favourable conditions. To extend the validity period of the products by refrigerated storage. To salvage the huge quantities of unsold vegetables by processing/pickling them.

***Results obtained in 2017:***

In mid-2017 the EA (executive agency) finalised the building upgrade and instalment of the initial production line. This represented an important milestone in starting the activity of the cooperatives: 9,321 jars of vegetables were processed and sold, 9 tons were pickled, 30 tons were stored in the cold rooms and one contract was sold, committing to provide 14 tons of vegetables.

***Results obtained in 2016:***

In 2016, the EA has focused on three main aims: (a) to legally create two functional cooperatives of vegetables' producers and vegetables' processors, (b) to identify the location which is to host the vegetables' processing factories and upgrade the respective location in order to abide with the legal provisions and to serve the project's objectives and (c) to assist the co-operators in improving their techniques of vegetables production.

***Next the EEA Grants<sup>44</sup>***

This programme responds to the need to promote increased social and economic cohesion in Romania by addressing local development, poverty reduction and enhanced inclusion of Roma communities. Social and economic cohesion are key to reducing poverty and promoting equality in society. Poverty and inequality remain high in Romania, with increasing regional disparities and numerous economic and social challenges.

There is still a high number of early school leavers and a high number of young people not in education, employment or training. Roma are the largest minority in Europe, and according to the Council of Europe an estimated 1.85 million Roma live in Romania (8.32% of the population). Many face barriers to social inclusion, in access to education, employment, healthcare and housing, as well as facing discrimination, racism and antigypsyism. Many are living at risk of poverty and in severe material deprivation. While significant investments are being made in Romania through national and European Union funds, some strategic areas are not covered. This provides an opportunity for the EEA and Norway Grants to help support the achievement of national strategy goals in combatting poverty and social exclusion and in contributing to Roma inclusion, provision of quality education, children's rights and youth policy, and in supporting administrative capacity to achieve local development. The main target beneficiaries include: persons belonging to vulnerable groups and communities in disadvantaged situations, Roma populations at risk of poverty and social exclusion, children and youth at risk (including children with disabilities, special educational needs, detainees, etc.), families, professionals, other

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<sup>44</sup> [eeagrants.org/news/programme-agreement-signed-for-the-local-development-programme-in-romania](https://eeagrants.org/news/programme-agreement-signed-for-the-local-development-programme-in-romania). Website consulted December 2019

community members, civil society, and public administration staff, county and local councillors.

The programme funding (excluding co-financing) amounts to 70 million Euros and is funded through the EEA Grants (25 million) and Norway Grants (45 million).

The external evaluation carried out by IRES showed that following the participation in the project activities<sup>45</sup>:

- 8 out of 10 beneficiaries are convinced that projects have made a big contribution to increasing school attendance of children and young people, as well as promoting social inclusion;
- 85% of respondents believe that the project activities have greatly improved the interest in schooling for children and young people, and 9 out of 10 consider that their preparation for their life has been enriched;
- 2 out of 3 parents consider that the activities of the Programme have contributed much or very much to the decision of children and young people to continue their studies;
- As a result of the Programme, 8 out of 10 children intend to continue their studies at high school level, and 2 out of 3 will reach college
- 86% of the beneficiary students consider that they feel more attracted to the school after participating in the projects than they were before, and 82% of them appreciate that they have better learning outcomes than before.

### **Conclusion and final thoughts about the work**

Do not get confused, this conclusion is not about the organizations or the relations between the countries or the programmes. In the introduction i mentioned there will be a conclusion and that was referring to the article and the research conected to it. As stated, for the whole work only official sources were used and only official documents consulted. The information is available abundantly, every involved country has several involved institutions and each of them has an official website providing informations about the programmes. Next to the governmental institutions, there are even more NGOs and they too provide plenty of data and stats and informations. But one source is not enough to get the whole picture, sometimes the references are well organized, the links are valid and the following site has a well organized presentation and you can easily obtain the needed informations. But sometimes the provided link was a dead end. That is of course not the fault of the provider of the link but still if somebody is running an information platform, the links to third party data should be checked from time to time. But after some detours, one was able to find most or almost all the informations and data needed and that is an overall positiv verdict for the information gathering proceedings. It is noteworthy to mention that all the subunits used the same standardised initial information and description provided by the main organizational institution, complemented with the necessary data. That led to the idea of why not combining all the information on one site and supplement the results together with the reference or origin. That would have facilitated the information gathering process for this article. But that is just a side note, overall the process is transparent and the necessary informations are available for the public without restrictions. And that is an important feature of the whole enterprise, transparency and informations. Especially in a country like Switzerland where almost every decision is taken by the population by means of referendum, if the people lack

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<sup>45</sup> [www.frd.s.ro/](http://www.frd.s.ro/). Website consulted December 2019

necessary informations, they probably will not approve any monetary spending on foreign matters out of taxpayers money.

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