

## Axis 4 Factsheet: ROMANIA

### Geographical map: Romania



#### 1. Context in which Axis 4 is being developed and main challenges faced.

Romania is situated in the south-eastern part of Central Europe and shares borders with Hungary to the northwest, Serbia to the southwest, Bulgaria to the south, Ukraine to the east and to the north and the Republic of Moldova to the east.

Romania's Black Sea coastline is around 250km in length with inland waters representing about 843 710 ha or 3% of the total surface of the country. This includes natural lakes and artificial water bodies. There are a number of rivers in Romania, including the Danube (1 075 km), the Mures (761km) and the Prut (742km).

Its population of 20.12<sup>1</sup> million inhabitants is among the lowest consumers of fisheries products in the EU with an annual consumption per capita in 2005 of only 5.5kg, compared with the EU average of 21kg<sup>2</sup>. Despite this low demand, the production of fisheries products in Romania is no longer sufficient to meet consumer demand. In fact Romania has moved from being self sufficient in fisheries products in 1998 to only supplying 14.4% of the market. The fish processing sector is small in Romania and mainly uses imported fish.

The production of the Romanian fisheries sector accounts for an extremely small part (0.0086%) of the Romanian GDP (2008). However it is seen as a sector that plays an important social role for the coastline population as the financial resources that are being generated support a relatively large population, and also provide a source of food. The fisheries sector also contributes to the protection of wetlands and biodiversity in the Romanian inland waters. In 2011 the volume of export was of 5,648 tones, whilst 94,935 tones were imported.

At the beginning of 2005, the fisheries sector in Romania employed about 6 800 workers. The employment varies between the sectors with marine fisheries employing the lowest numbers at

<sup>1</sup> 2012 National Census

<sup>2</sup> FAO 2009

9% and aquaculture employing the highest numbers at 41%. Inland fishing employs around 37% and processing employs 13% of the total.

Together, aquaculture and inland fisheries account for 97% of Romania's total catch of 16 497 tonnes. The structure of the aquaculture production in Romania is dominated by the cyprinids but also includes trout, sander, pike, catfish and fresh water sturgeon. Inland fisheries are concentrated around the Danube, the Danube Delta, Razim Sinoie lake complex and other artificial lakes. The most common species caught include crucian carp, bream, Danube Herring and common carp. Marine fishing only accounts for 3% of total and catches mainly small fish such as sprat, anchovies, sturgeon and whiting.

The Romanian fishing fleet in the Black Sea is made up of 439 vessels, of which only 2.7% are over 12 meters long. Since the dismissal of the Romanian Fishing Company in 1993 deep sea fishing activity has ceased. There are 2 256 boats registered for use in inland waters. These boats are not mechanised as only small wooden boats operate in inland waters.

Overall there are 76 fish processing units /companies in Romania. Until the end of the 1980s, Romania had an important fish processing industry, however in the 1990s it virtually ceased. It is only during the last few years that a small number of Romanian companies started offering modern products, and that the domestic production, in particular of semi-preserved products, started increasing again. The majority of the raw material is imported, with mackerel and herring being the most common species. Key approach to fisheries products processing and conservation is based on eco-bio and traditional methods.

## **2. The national response in terms of Axis 4**

It is of interest to note that despite Romania's relatively small fishing sector, the country sees the second largest Axis 4 budget in Europe: € 65 970 282 million, behind Poland which has allocated almost €235 million. This €65 970 282 million represents 23.75% of Romania's EFF budget, which in % terms is the highest allocation in Europe (Poland is also up at the top with 32%). Compared to the other EU Member States which have allocated between 2.6% in France and 23% in Latvia, Romania, along with Poland, stands out for its extremely important focus on Axis 4. It also means that the Romanian FLAGs are likely to be among those with the biggest budgets in Europe which, given the size of the sector, is likely to pose significant challenges in terms of absorption capacity, at least for some of the groups. At the same time for other ones is expected to go up the initial budget.

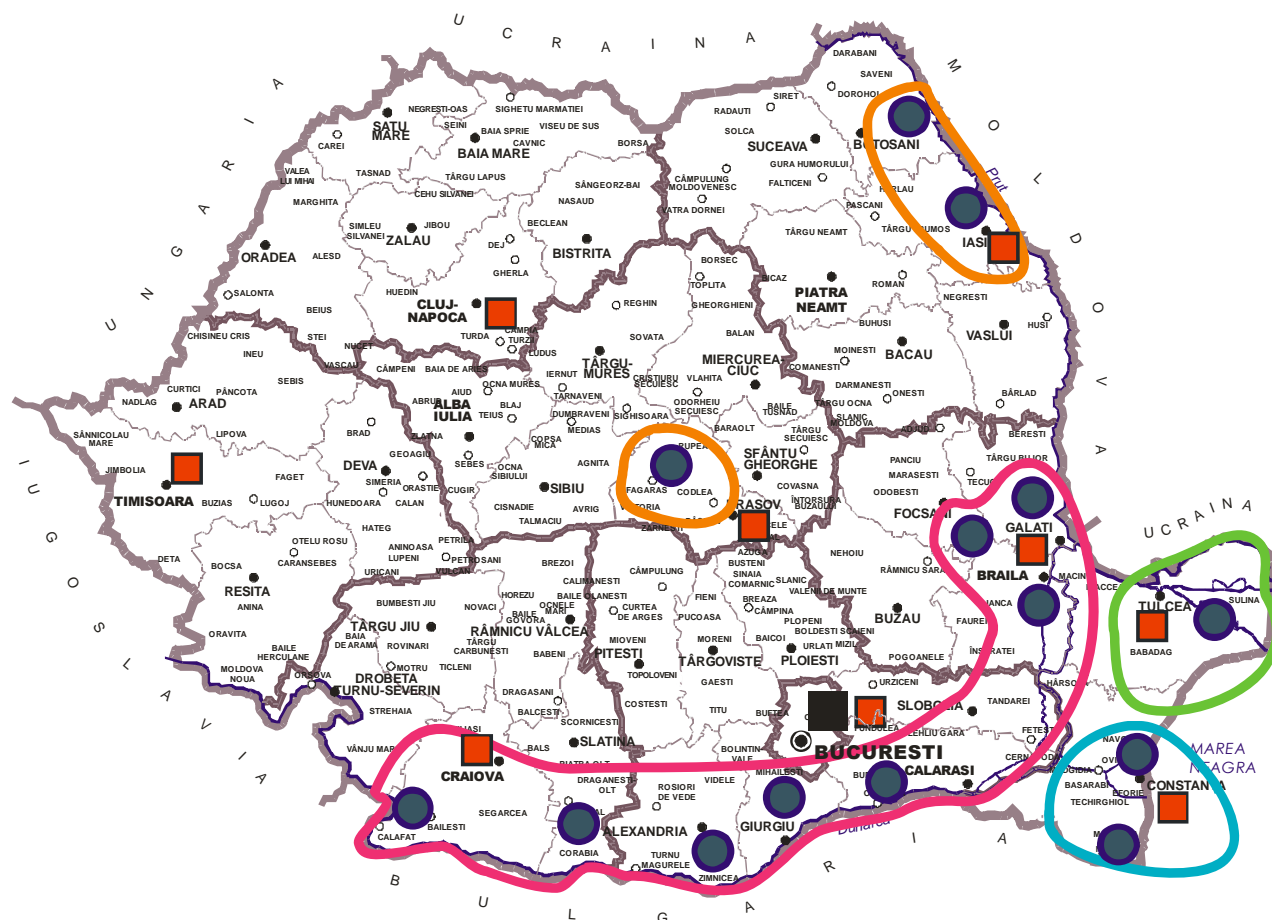
## **3. The areas and their key characteristics**

In Romania, the entire country is eligible for the selection process under Priority Axis 4, but priority is given to three broad geographical regions because of their tradition in fisheries. These are the Danube Delta, the area along the Danube River and the coastal area of the Black Sea.

Expressions of Interest (EOIs) were received initially from 10 potential FLAGs on 12th April 2010 and nine have been approved to proceed to develop strategies. Six of these potential FLAGs, Mehedinti, Olt, Giurgiu, Calarasi, Ialomita and Braila are based along the Danube whilst a seventh, Tulcea, is based in the Danube Delta area. The eighth potential FLAG area, Galati, is near the Danube, Prut and Siret rivers. The final potential FLAG area is Brasov which is an inland fisheries area to be found in the mountain area in the middle of the country.

In October 2010, a second call for Expressions of Interest was launched and a further 13 potential FLAGs responded. Out of the 13 areas, only seven potential FLAGs were selected: two located along the Danube (Calafat and Sahaia-Teleorman), two located on the Black Sea in the Constanta County (Dobrogea Sud, Dobrogea Nord) and three located in the north-east of Romania (Rachitoasa- Motosani in the Bacau County, Larga Jijia in the Iasi County and Botosani in the Botosani County).

To date, the 14 selected FLAG map is at shown in the map bellow.



**LEGEND**

- Managing Authority
- Regional Compartments
- Romanian FLAGS
- Danube FLAGS (Calafat, Olt, Teleorman, Giurgiu, Calarasi, Siret, Braila, Galati)
- Delta Danube FLAG
- Black Sea FLAGS (Dobrogea North, Dobrogea South)
- Interior waters FLAGS (Fagaras, Iasi, Botosani)

**4. The selection process**

Romania adopted a competitive two stage process which comprises an initial Expression of Interest (EOI) form being completed with successful areas being invited to further develop local strategies and business plans in order to be finally selected as FLAGs.

A total number of 23 EOIs have been received and 16 have been successful in proceeding to the next stage of FLAG selection that includes development of FLAG strategies and business plans. The first round of FLAG selection was taking place in July 2011 and the second session was September 2011. A final number of 14 FLAG were selected to implement FOP strategies in their fisheries areas. Effective implementation of strategies began later in 2012.

## 5. The groups

The implementation of EFF Axis 4 in Romania is the responsibility of the Ministry of Agriculture and Rural Development. The selection of the Fisheries Local Action Groups (FLAGs) was done through a competitive process. The criteria for the selection of the groups included: the coherence of the area chosen and relevance for the fishery sector; the quality of the strategy proposed for this area; and the capacity of the partnership proposed to implement the strategy. The composition of FLAG's partnerships varies across Romania, reflecting each area's specific situation and local actors involved. In any case the private sector has majority (over 51%).

The implementation of LEADER in Romania is not yet complete. To date there are established and functioning a number of 163 LAGs<sup>3</sup> at the 1<sup>st</sup> of January 2014. Already there is joint working between the FLAGs and LAGs, although this also varies in each area according to local contexts.

## 6. Key features of administrative and financial systems

### EFF budget 2007-2013 and funding from National level

% of EFF Budget on Axis 4	EFF Budget on Axis 4 / €	National Funding /€	Total Budget / €	Average Budget per group / €	Number of groups
23.75	49 477 711.50	16 492 570.50	65 970 282.00	4 712 163.00	14

The budget per group varies from area to area, from the lowest 1.5 M€ - FLAG Suhaia – Teleorman County, to the highest of 20 M€ - FLAG Delta, Tulcea County.

Administrative functions carried out by FLAGs are as shown below:

- FLAG launches call for proposals
- FLAG receives and checks the applications
- FLAG carry out compliance and eligibility checks on applications, as well as their technical and financial -economic assessment
- The Selection Commission of the FLAG selects projects
- The FLAG informs the beneficiaries that they are successful and selected project signs a legal commitment
- Contracts are signed for each project
- The beneficiary starts the implementation of the project
- Claims are submitted and payments are made by the Managing Authority (DGP AM-POP)
- FLAG responsible for the follow-up necessary to ensure effective implementation of projects

## 7. Networking and capacity building

At present no official networks have been formed in Romania. However, an informal national network already operates – among FLAG, FARNET, DG MARE and AM POP, and first steps are done as well in relation with the Romanian LAGs.

The Managing Authority has set up a website <http://www.madr.ro/pages/page.php?catid=20> to provide formal and up-to-date information, and the website of the Fagaras Chamber of Commerce (of the Brasov FLAG) is used as a dialogue forum for the local groups <http://pop.myforum.ro/>, both sites are only available in Romanian.

## 8. Resources or ideas that may be of interest to other countries

Romania still is at an early stage in FLAG development. However, their outcomes so far and learning experience of all actors involved will be valuable to others in the future.

<sup>3</sup> Source: FNGAL, National Federation of Romanian LAGs

## 9. Contacts and links

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