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REGIONAL EFFECTS OF THE EU FUNDS ABSORPTION FOR EDUCATIONAL INFRASTRUCTURE IN ROMANIA 2007-2013 PROGRAMMING PERIOD

Case
Study

Keywords

*Regional development,
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Educational infrastructure,
Regional disparities*

JEL Classification

H75, R10, R58

Abstract

The educational infrastructure was one of the priorities financed by European Regional Development Fund in Romania through Regional Operational Programme in 2007-2013 programming period. The regions for development in Romania needed financial support to improve the quality of local educational infrastructure but the administrative capacity to get EU funds wasn't prepared to take advantage of the available opportunities. This paper shows that the level of local development in terms of institutional capacity and financial resources had influenced the amount of funds obtained by the local authorities. Even if the less developed regions had an important need for resources, the more developed regions succeeded to implement more projects for educational infrastructure.

GENERAL ASPECTS OF REGIONAL DISPARITIES IN ROMANIA FOR THE PROGRAMMING PERIOD 2007-2013

Since 2005, after the adoption of the National Development Plan 2007-2013, priority has been given to the reduction of regional disparities, the chronic underdevelopment being recorded in the North-East Region. Educational infrastructure along with the social and medical one needs improvements because it is poor, especially in rural areas.

Through the Regional Operational Program 2007-2013, with an ERDF allocation of 3,726,021,762 Euro the aim was to diminish development gaps, explicitly found in some Regional Development Plans.

The needs are clearly identified at the regional level, but the success of accessing the structural funds has depended on several factors, including the administrative capacity of the responsible, eligible institutions, the possibility of ensuring the co-financing required by each applicant, a functional and effective management and control system at the national level.

Different contributions shows that at EU level the the poor countries have recovered the development differences faster than the poor regions (Zaman& Georgescu, 2009). The level of regional development policy was an important factor in the analysis of the success of the EU funds absorption. There are opinions that state that there was a "regionalization" of the regional policy (Keune, 2001) or there is an indirect regional policy in different states as Romania (Nijkamp, Hans&Sigar 1981). In Romania, the subject of regional disparities is complex. There are opinions that states that the regional disparities have not been diminished (Antonescu, 2012).

The educational infrastructure was a need for all the regions and the contribution of this type of infrastructure to the quality of the educational system as a whole should be realized in an extend framework. The quality of human resources and the equipments, especially ITC are essential too. Providing learning of the new technologies also became a priory after the European Councils of Lisbon 2000 and Stockholm 2001 (COM(2001) 140 final).

The statistical analyses used both for the formulation of the development vision at the regional level and for the presentation of the financed and implemented projects is essential due to the fact that the results of statistical analysis should be used in choosing the right decision by the management (Țițan, 2005).

The lack of methodology used in the achievement of the development plans, the use of methods

which are criticized by the specialists (Cărbunaru, 2009) or the existence of the variations occurred in time which could influence the factors that caused the deviation from the normal evolution (Anghelache, 2005) are important elements of the statistical analyses should be taken into account.

NEEDS FOR EDUCATIONAL INFRASTRUCTURE AT REGIONAL LEVEL

The Bucharest-Ilfov Regional Development Plan 2007-2013 presents the educational system in the region represented by a network of 671 pre-university education units of which 592 public and 79 private, 74 being located in rural areas; 13 state and 13 private universities. 95 schools in Bucharest and 17 in Ilfov needed major repair works and consolidations, and another 26 schools in Bucharest needed minor repairs and 4 schools needed expansion. In addition, 13 schools in Bucharest were claimed by the legitimate owners of the premises/ buildings. It is important to note that a significant number of pre-school and school units in the region do not have the right operational conditions because of the lack of water supply and connection to the domestic water network. Also, buildings require major repairs/ consolidations. In order to settle the identified needs, priority no. 4 has been established: Economic Growth and Employment, with one of the specific indicative activities aimed at improving the pre-university and university educational infrastructure in order to provide a proper learning environment and continuous improvement of teaching skills (PDR BI, 2007).

The Educational Infrastructure of the Center Region included 965 kindergartens, 833 primary and secondary schools, 208, 9 vocational and apprentice schools, 12 post-secondary schools and 13 higher education units in the school year 2005-2006 (Regional Development Plan Centre region, 2007). Some of the weaknesses identified in the SWOT analysis applied to the social infrastructure and education domain refer to the lack of such infrastructure in some isolated mountain villages, the lack of facilities in the education and health system, predominantly in rural areas and limited access to this type of infrastructure in some remote localities (RDP Centre region, 2007). As a solution, the development and modernization of the educational, social and health infrastructure is one of the 3 measures proposed under priority axis no. 1 "Development of local and regional infrastructure", the investments being oriented on two directions: rehabilitation of the school infrastructure (works) and procurement of equipment (specialized and computer and office equipment).

At the level of the North-East region, according to the fact that the region has the largest population of the eight development regions, the number of education units in the region holds 16.07% of the total number of education units at national level, respectively 191 kindergartens, 861 elementary schools, 206 high schools, 75 schools of arts and crafts, 14 post-secondary schools. The main problems recorded are related to the precarious condition of the infrastructure, requiring rehabilitation, modernization and equipment with the necessary equipment to reach the professional training standards. In order to achieve the overall objective of the Northeast Regional Strategy 2007-2013 that is the reduction of the existing gap in relation to the developed regions of Romania by increasing the degree of regional competitiveness and attractiveness, the measure "Rehabilitation and development of the educational, social and health infrastructure" Priority 1 - Infrastructure and the environment (The North-East Regional Development Plan, 2007).

The Framework Strategic Regional Development 2007-2013 of North-West Development Region Transilvania North presents the education infrastructure as damaged, poorly developed and poorly equipped with teaching equipment and materials, including computers and IT & C equipment, which are far below real needs, especially in rural areas. The region comes to the fore in terms of technical and vocational education, occupying the first place in the country with 2739 units of this type of education, of the 14841 units nationwide, 2109 units being in the rural areas and 630 in the urban areas. With priority 2. 4 Improvement of the basic infrastructure and endowment of schools (including IT equipment) the aim was for the reconstruction, extension and consolidation of buildings, modernization of auxiliary utilities and services within schools, equipping classes and libraries, buying means of transport for pupils (including disabled pupils), building facilities for disabled students, endowment with special equipment and utilities for students with disabilities and endowment with IT-PC equipment (The Framework for Strategic Regional Development of the North-West Development Region Transilvania North, 2007).

The Development Strategy of the South-East Development Region 2007-2013 set as a general objective the significant increase of the regional GDP by 2013, based on an economic growth rate higher than the national average, by increasing the long-term competitiveness and the attractiveness of the region for investments, environmental protection, creating new employment opportunities and improving the life of the population. Priority 6 refers to the development of the education sector. Priority field of intervention: 6.1 Development and

rehabilitation of the basic educational infrastructure especially in rural areas - at all levels.

In the South-Muntenia Region there were 594 kindergartens, 1092 primary and secondary schools, 13 post-secondary schools and 5 higher education institutions. The main problems identified relate to the lower level of access by rural youth to 176 high schools and to the 12 vocational and apprentices schools locally located in urban centers, as well as the partially adequate endowment of all the educational units, affecting the quality of the education process. The main regional characteristics of this area were: the good network of educational institutions, the low number of post-secondary and higher education units, the high degree of enrollment of pupils in primary and lower secondary education, the tendency to increase the level of pupils in secondary education as well as the lack of a strategic orientation of educational institutions to meet the needs of the labor market. All these have been taken into account in setting development goals and priorities. Thus, priority 1 - Development of local and regional infrastructure through Measure 1.2 The development of utilities, public services and social infrastructure will follow the necessary indicative activities, namely the achievement, rehabilitation and modernization of the educational infrastructure (kindergartens, schools, high schools, universities) and educational campuses

In the South-West region, there were 471 kindergartens, 796 primary and secondary schools, 150 high schools, 5 schools for vocational and apprentices education, 8 post-secondary schools at the time of elaboration of the Regional Development Strategy 2007-2013. Surprisingly, although good links have been identified with local businesses, and therefore there is potential for young graduate placement, vocational schools and higher education institutions do not offer modern facilities and means of training. Also, in the Oltenia region there were 3 state universities and 3 private universities. In this context, the overall objective of the socio-economic development strategy for 2007-2013 was to reduce development disparities between the SW Oltenia region and other regions of the country in order to increase the citizens' standard of living. As far as the educational infrastructure is concerned, Priority 2 has been established for the modernization and development of the regional infrastructure through the measure 2.3. Improvement of the social and educational infrastructure.

PROJECTS FINANCED BY THE REGIONAL OPERATIONAL PROGRAMME 2007-2013 FOR EDUCATIONAL INFRASTRUCTURE AND THEIR REGIONAL EFFECTS

The education system and its quality improvement was a priority in the 2007-2013 programming period. The educational infrastructure was financed through ROP 2007-2013, ITC through a specific programme for economic competitiveness SOP IEC, and the projects aimed at increasing the quality of the educational act were financed through SOP HRD. Effects could therefore be achieved through an integrated approach, requiring more conditions to generate regional effects, both infrastructure, endowment and quality human resources being necessary.

The capacity of absorption of European funds depended on the capacity of local authorities and their financial resources. However, Regional Operational Programme 2007-2013 was the main source for local authorities to improve the educational infrastructure.

EU FUNDS AVAILABLE THROUGH ROP 2007-2013

The rehabilitation, modernization, development and equipping of the pre-university, university education infrastructure and of the infrastructure for continuous professional training is one of the main areas of intervention (DMI 3.4) identified within the POR 2007-2013, Priority Axis 3 Improving the social infrastructure. The specific objective pursued was to improve the quality of the educational infrastructure, of school endowment, of accommodation facilities for students and of professional training centres so as to provide an educational process at European standards and to increase the participation of the school population and adults in the educational process. The operations allowed were the rehabilitation, modernization, equipping of pre-university and university educational infrastructure, creation and development of pre-university campuses and the rehabilitation, modernization, equipping of continuous professional training centres.

In order to create the necessary premises for ensuring the population with essential services, through the improvement of the infrastructure of health services, education, social, and public safety in emergency situations, a European Community funding of EUR 558,903,260 was allocated, plus the national contribution of 98,629,992 Euro, thus generating a total of 657,533,252 Euro.

In 2009, the Applicant's Guide announced an indicative financial allocation for the field of intervention 3.4 "Rehabilitation, modernization, development and equipping of the pre-university,

university education infrastructure and of the infrastructure for continuous professional training" of 284.91 million Euro, from which 242.19 million Euro of the ERDF, the remainder being national co-financing (from public sources).

PROJECTS FINANCED AND REGIONAL EFFECTS

The call for projects for funding in this area was launched in February 2008, by the end of 2009, with 637 projects submitted in total amounting to 1.157 million Euro, of which the ERDF contribution was 859 million Euro, representing 355% of the ERDF value allocated to this major area of intervention. Following the evaluation, 146 grant contracts totaling 261.25 million euro were signed by the end of 2010, of which the EU contribution was 175.8 million, representing 72.6% of the communitarian allocation for the entire period 2007-2013. According to the Annual Implementation Report 2011 they were 195 signed financing contracts amounting to EUR 338 million, of which the ERDF value was 226 million Euro (contracting rate of 93%). As is shown in the Table no. 1 the start was different at the regional level.

REGIONAL EFFECTS

The largest number of projects that received funding for the improvement of the educational infrastructure were in the South-Muntenia region, respectively 108, with a total value of 491,428,281 Lei. The highest value of the projects was in the North-West region, namely 552,199,381 Lei for a number of 81 projects (see Figure no.1). The lowest number of projects and the lowest amount attracted are registered in the Bucharest-Ilfov region (see Table no.2)

The largest amounts of the ERDF were obtained in the North-West regions 366,410,801 Lei, North-East 336,969,461 Lei and South-Muntenia 326,754,781 Lei.

As stated in the Impact Assessment of the ROP 2007-2013 (inforegio, 2014-2015), there were positive net effects from the perspective of increasing the quality of the educational service as there are several available spaces for the development of the classes, renouncing to learning in shifts in some educational units or the possibility to carry out more extra-curricular activities. However, there is still a need for intervention at the level of development regions, the plans adopted for the programming period 201-2020 being a proof in this respect.

In the 2014-2020 Regional Development Plan of the South Muntenia region adopted in 2015, it is estimated that over the analyzed period 2004-2011,

the number of educational units decreased by 836 due to the closure of some rural units. Regarding the situation in 2014, based on the data from the school inspectorates, it is specified that at the level of the region there are 48 educational units in advanced physical degradation, 66.7% of them being in the rural area (RDP South Muntenia, 2015).

The South-East Regional Development Plan 2014-2020 states that at the level of 2011/2012 there were 985 pre-university and university education units at the level of the region. Here too is a diminution of the number of rural education units by 20.5% (412 of the total 936) in the school year 2011-2012, compared to the school year 2007-2008. (South East RDP, 2014)

Also in the Bucharest-Ilfov region the number of school units decreased in 2011 compared to 2005, the percentage being 39%. The only increase is registered for high schools, given the decision to abolish schools of arts and crafts, adopted at a national level. (Regional Development Plan of the Bucharest-Ilfov region 2014-2020, 2015).

At the level of the Center region, the educational infrastructure is well developed, the total number of units being 1087 in 2011. There still are intra-regional disparities, most of the pre-school, school and higher education units being registered in the counties of Brasov, Mures and Sibiu, compared to the opposite pole where the counties of Covasna and Harghita are located.

Problems from the period 2007-2013 still are in the North-East region for 2014-2020. It involves the lack of adequate facilities and endowments. (North-East Development Plan, 2014)

The poor condition of buildings along with other rural problems make the educational discrepancies between rural and urban areas still obvious in the South-West Oltenia region. At the regional level, in the school/ university year 2011/2012, there were 744 units - decreasing by 36 units compared to the school year 2010/2011 (South-West Oltenia Regional Development Plan, 2014).

CONCLUSIONS

The needs for improving the educational infrastructure have been very high, and although important funds have been used during the 2007-2013 programming period, these needs still appear in development plans for the 2014-2020 period. The effects at regional level are quantitatively evident. Infrastructure is just a component of the mechanism that makes the educational system possible, and its quality involves an integrated approach that should be used even when funding is awarded.

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Tables*Table No.1 Status of the contracts 2010, Regional Operational Programme 2007-2013, Priority Axis 3, Key Area Intervention 3.4*

Region	No. of contracts signed	Total value of the contracts	Of which ERDF value	the	Mil. Euro
					Contracting rate (% of ERDF allocation)
North-East	8	38.5	26.2		108.6
South-East	8	22 5.	15 7.		80.4
South	3	4.	29.6		141
South-West	5	15	10.5		50.8
West	3	3	2		13
North-West	8	31/3	21.4		120
Centre	4	4.4	3		18.6
Bucharest	0	0	0		0

Source: Annual Implementation report, 2010, p.99

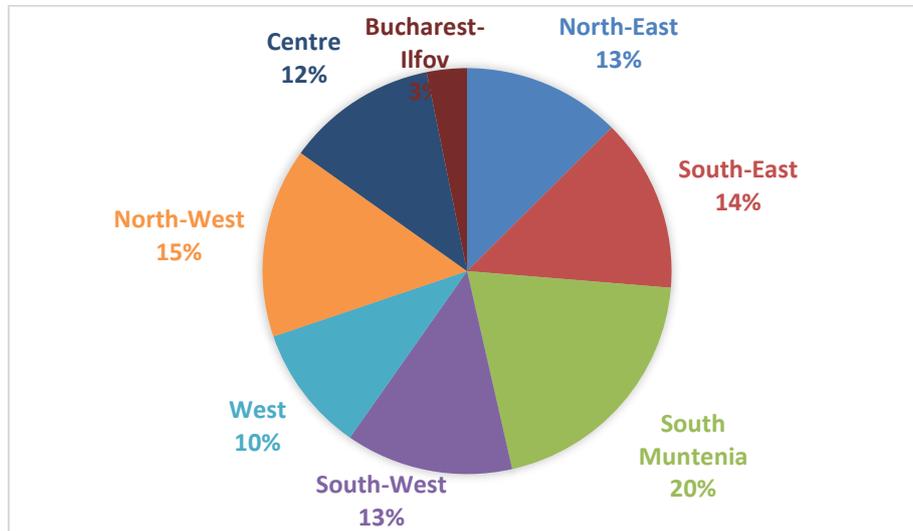
Table no.2 Projects and financial support obtained per region

Region	No. of projects	ERDF	RON
			Total value
Nord Est	67	336.969.461	518.835.023
Sud Est	74	235.637.936	368.181.251
Sud Muntenia	108	326.754.781	491.428.281
Sud Vest	71	270.858.199	429.999.729
Vest	54	229.727.338	349.853.670
Nord Vest	81	366.410.801	552.199.381
Centru	64	187.503.676	299.770.908
Bucuresti-Ilfov	17	117.872.467	177.223.578

Source: Data processed by the author based on the data available on <http://www.inforegio.ro/ro/implementare/proiecte-finantate.html> (accessed on May 15th, 2017)

Figures

Figure No. 1 *Financed and implemented projects per region*



Source: Data processed by the author, <http://www.inforegio.ro/ro/implementare/proiecte-finantate.html> (accessed on May 15th, 2017)