



REGIONAL ACTION PLAN

THE SOUTH-EAST REGION OF ROMANIA



European Union
European Regional
Development Fund

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Part I – General information

Project: REBUS

Partner organisation: South-East Regional Development Agency (SE RDA)

Other partner organisations involved (if relevant): n/a

Country: Romania

NUTS2 region: South-East Region

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Part II – Policy context

The Action Plan aims to impact:

- **Investment for Growth and Jobs programme**
- European Territorial Cooperation programme
- Other regional development policy instrument

Name of the policy instrument addressed: **REGIONAL OPERATIONAL PROGRAMME 2014 – 2020; Priority Axis 3.1: Supporting energy efficiency, intelligent energy management and renewable energy use in public infrastructures, including in public buildings and in the housing sector**

Part III – Details of the actions envisaged

ACTION

Development of new improved guidelines for the calls of proposals addressed to energy efficiency in public buildings

Overall Topic and Description of the proposed Policy Improvement

The Regional Operational Programme (ROP) 2014-2020 is one of the eight programs implemented by Romania for accessing the European Structural and Investment Funds. ROP 2014-2020 was elaborated by the Ministry of Regional Development and Public Administration and adopted by the European Commission on 23rd of June 2015. ROP 2014-2020 has an estimated total allocation of EUR 8.25 billion, of which EUR 6.7 billion represents EU support, through the European Regional Development Fund (ERDF) and 1.5 billion EUR is the national contribution. The amount of funds allocated to the ROP represents 21.5% of the total European Structural and Investment Funds allocated to

Romania in the programming period 2014-2020.

ROP 2014 – 2020 is managed by the Ministry of Regional Development and Public Administration with the support of Regional Development Agencies.

ROP 2014 – 2020 - Priority Axis 3.1: “Supporting energy efficiency, intelligent energy management and renewable energy use in public infrastructures, including in public buildings and in the housing sector” has as specific objective increasing energy efficiency in residential buildings, public buildings and public lighting systems, especially for those with high energy consumption. The regional allocation for the Priority Axis 3.1 amounts 43,15 Mil. EUR.

As Intermediate Body for 2014-2020 ROP, SE RDA undertakes specific tasks, such as: project appraisal and selection, provision of guidelines/support to ROP beneficiaries, projects’ monitoring and control of expenditures, carrying out awareness raising and publicity actions and dissemination of information on financing opportunities available.

In respect of the proposed policy improvement, SE RDA has taken on an important role in the path towards influencing and improving “Axis 3.1: “Supporting energy efficiency, intelligent energy management and renewable energy use in public infrastructures, including in public buildings and in the housing sector”. More precisely, SE RDA supported the Ministry of Regional Development and Public Administration, as Managing Authority (MA) for ROP 2014-2020, for new improved guidelines in the framework of the call to be launched during 2019 under the **Investment Priority Axis 3.1 Operation B - public buildings** undertaking the following steps:

- Analysis of the existent conditions to access funding within Priority Axis 3.1 Operation B - public buildings;
- Collection of relevant information to improve the policy instrument having input of the applicants and direct beneficiaries during the regular meetings organised by SE RDA, as Intermediate Body;
- Analysis of Rebus good practices in the field of energy efficiency implemented in the partner regions and shared during the interregional cooperation events, study-visits, bilateral meetings, staff exchange meetings;
- Analysis of Rebus experiences included policy instruments envisaged by the partner regions; identify similarities and differences; identify solutions to adapt the good practices to the existent framework in the field of energy efficiency;
- Consultation between the Rebus team on behalf of SE RDA and the representatives of the Intermediate Body for final conclusions on the changes to be submitted in order to improve the Priority Axis 3.1 Operation B - public buildings;
- Final proposal drafted and submitted to the Ministry of Regional Development and Public Administration for new improved guidelines in the framework of the call of proposals to be launched (official notification sent to the Managing Authority by e-mail on 29th of March 2019).

Therefore, proposals for new improved guidelines have been identified aiming to:

- facilitate the access of the beneficiaries to European funds in the field of energy efficiency and increasing the absorption rate of the allocated ERDF for the South-East Region of Romania;
- increase the energy efficiency measures in public buildings leading to improved classification of energy consumption.

As such, there were proposed:

- *New eligibility and selection criteria*
- *New administrative and compliance criteria*
- *New technical and financial evaluation criteria*

Proposals for the eligibility and selection criteria

In particular, the proposal aims at the revision of:

I. *the chapter that envisages the **eligibility of the project and its components (buildings), eligibility of activities:***

- The proposed intervention is to include as eligible buildings the accommodation centres for the foreigners in public custody, according to the national legislation in force in terms of foreigners regimes and refugees

The old guidelines foresee as eligible for funding only administrative buildings, hospitals and schools. Other eligible conditions for the interventions in buildings are: the building is not listed as UNESCO monument, is not part of the national or local cultural heritage, in both urban and rural areas, but it can be located in the protection area of historical monuments and/or protected built areas; the building is not used for religious activities; the building must not be provisional or industrial, a technical or an agricultural building; the building is not part of type of collective housing buildings or similar, excepting prisons, buildings for social services (residential care centers, hostels belonging to educational institutions), homes for educational institutions.

The new applicant guidelines shall foresee enlargement of the eligible categories of buildings.

II1. *the chapter that envisages the **eligibility of costs** - subchapters "Endowments" and "Constructions, installations, endowments for related measures"*

- The proposed intervention is to include as eligible costs, the following items:
Chapter "Endowments" – procurement of **fixed assets and/or inventory items** necessary for project implementation;
Chapter "Constructions, installations, endowments for related measures" - procurement of **fixed assets and/or inventory items** necessary for project implementation; **intangible assets** (know-how, licenses etc).

Within the old applicant guidelines, the items mentioned above were not eligible and generated increased amount of ineligible costs taking into consideration that the goods

were deemed necessary for the project implementation.

II.2. The proposed intervention is to eliminate the restrictions as regards the **eligible costs for the thermal plant buildings**.

The old applicant guidelines limits the access for financing of this type of building if they exceed the surface of 250 sqm.

The measure included in the new applicant guidelines increases the access for energy efficiency measures in all thermal plant buildings, no matter their surface.

II.3 The proposed intervention is to include **eligible costs** as part of **raising awareness actions** - *subchapter "Expenses for information and publicity activities"*:

- a) printing of promotional materials such as: leaflets, brochures, posters, banners;
- b) soft measures for the education of the population, staff employed within the public buildings, pupils, teachers etc. that can contribute to the energy efficiency within the public buildings: switch off the light, switch off the IT equipment, close the window/doors etc.

Currently, there are eligible only the costs for the mandatory dissemination and communication measures (press release by the start and end of the interventions; banner for the construction works and poster) in the limit of app. 2000 EUR.

Proposals for new administrative and compliance criteria:

In particular, the proposal aims at the revision of chapter that envisages the mandatory documents for the procedure submission of the applications:

- The proposed intervention is to **eliminate the "Government Decision for the public property of the building" as mandatory document** for proving the property right of the public building

The old applicant guidelines foresee as mandatory document the its submission together with the Application Form, thus generating delays in preparation and submission of the supporting documents for the energy efficiency projects in public buildings.

Proposals for new technical and evaluation criteria:

In particular, the proposal aims to include **more strategic programs in the field of energy efficiency as reference for the projects complementarity**. In this way, the applicant can get higher scores if the project complies with one of the strategic documents included in this chapter as relevant for the energy efficiency field.

Need addressed

(please provide a brief summary of the need that you wish to address with this policy improvement –c.1000-1500 characters)

ROP 2014-2020 funding programme has struggled to spend under Priority Axis 3.1 for a range of reasons including lack of match funding and difficulty in finding compliant projects.

The overall objective of the proposed policy improvement is to ensure that grants are

used to the best possible advantage to maximize the public benefit and carbon savings while the specific objectives aim to:

- ✓ promote targeted measures in the field of energy efficiency in public buildings;
- ✓ facilitate the access to funding by improving the provisions of the guidelines for applicants;
- ✓ increase the number of buildings with improved classification of energy consumption.

Background and contribution from REBUS

Describe how you came to identify this proposed Policy Improvement

(please describe the lessons learnt from the REBUS project that constitute the basis for the development of the present Action Plan)

Details of proposed Policy improvement	Links with interregional input (including details of activities, good practices and knowledge shared)
<p>Improved Guidelines for potential applicants by:</p> <p><u>Improved eligibility and selection criteria:</u></p> <ul style="list-style-type: none"> ✓ Enlargement of the types of eligible buildings for funding; ✓ Reduced restrictions in terms of costs eligibility; ✓ Additional eligible costs as part of raising awareness actions 	<p>Thanks to interregional cooperation exchange of information on partners experiences and good practices that took place during project meetings, bilateral exchanges meetings and staff exchanges, SE RDA made use of the following relevant experiences that inspired changes on the policy instrument:</p> <ul style="list-style-type: none"> ✓ “Territorial and Settlement Development Programme”, Investment Priority 3 « Transition into a low carbon economy, especially in urban areas », Measure 3.2. « Increasing the energy efficiency of local governments and the ratio of renewable energy consumption » implemented by BORA Hungary. <p>The Territorial and Settlement Development Operational Programme is the follow-up of regional operational programme for 2014-2020. The funding allocated from this programme accounts for 16.15% of the total funding available from Structural Funds.</p> <p><u>Relevant facts :</u></p> <p>-Various types of buildings that are eligible: primary and secondary educational institutions and their related buildings, school buildings, vocational training centres; Cultural and artistic education institutions; cultural houses, theaters, and other commonly used</p>

community spaces; cultural - scientific exhibition halls, museums, libraries, archives; institutions with administrative functions; home of elderly people, home of psychiatric patients, home of addicts, home of disabled people; public non-professional sport-related sports facilities, indoor swimming pools, public recreational facilities.

In Romania, there are eligible for funding only the hospitals, schools and administrative buildings;

-As concerns the importance of the communication measures, the same policy instrument pays more attention to the communication and dissemination measures and envisages as eligible costs the large raising awareness campaigns targeted to diminish the energy consumptions (in comparison with Romanian ROP 2014-2020 where the eligible amount allocated for publicity & communication measures is extremely limited, app. 2000 EUR).

In terms of project good practices, SE RDA learnt from the following project partners:

Durham County Council/UK – GP on « School Carbon Reduction Programme »

This is a complex GP that covers all 4 pillars: planning, implementation, monitoring and the horizontal theme of capacity building. The GP is in line with the local planning strategic documents in the field carbon reduction. The GP targets on schools identified as a key group to engage due to the fact that more than 50% of emissions from Durham County Council buildings are from schools. Raising awareness campaigns and behavioural change among teachers and pupils are envisaged by the GP.

Durham County Council/UK – GP on “THE BIG SWITCH OFF”

The Good Practice focuses on behavioural change campaign based on social marketing techniques, structured in two weeks for each building, it has involved workers in public offices and has achieved very good results, from a minimum of 8% to a maximum of 18% of electricity savings.

BORA/Hungary – GP on “Training for employees of Local Energy Management Agency”

The GP represents a capacity development project that

<p><u>Improved (simplified) administrative and compliance criteria</u></p> <p>✓ To eliminate the “Government Decision for the public property of the building” as mandatory document for proving the property right of the public building” as mandatory document for the application form.</p> <p><i>Proposals for new technical and evaluation criteria:</i></p> <p>In particular, the proposal aims to include more strategic programs in the field of energy efficiency as reference for the projects complementarity. In this way, the applicant can get higher scores if the project complies</p>	<p>aims to incorporate the content of the Racalmas energy strategy into the daily operations of municipal employees. A Local Energy Management Agency was established and operates in accordance with the provisions of the Racalmas energy strategy. The goal of the new initiative is to help the local stakeholders, especially the inhabitants and local small companies in sustainable energy investments and smart energy use. The employees of the Agency were taking part on an intensive training session in order to receive the required knowledge and skills for the operation.</p> <p>Therefore, the positive results obtained by Durham County Council and BORA during the raising awareness campaigns and training activities inspired SE RDA to pay more attention to communication and dissemination actions and proposed additional eligible costs for the grant beneficiaries when preparing retrofitting projects.</p> <p>Regarding the changes proposed in terms of improved administrative and compliance criteria, SE RDA made use of the following experiences:</p> <p>Simplified administrative and compliance criteria were noticed in case of Regional Operational Program 2014-2020, Thematic Objective 4 – “Supporting the transition to a low-carbon economy in all sectors”, Investment priority: 4c – “Supporting energy efficiency, smart energy management and the use of renewable energy sources in public infrastructure, including public buildings, and in the housing sector” implemented by Region of Crete in comparison with 2014-2020 Regional Operational Programme managed by SE RDA.</p> <p>Regarding the changes proposed in terms of improved technical and evaluation criteria, SE RDA made use of the following experiences:</p> <p>✓ Regional Operational Programme ERDF 2014-20, Axis 4 – “Supporting transition towards a low carbon economy in all sectors”, Specific objective 4.1: “Reduction of energy consumptions in public, residential and non-residential buildings and integration of renewable energies” implemented by the Regional Government of Tuscany.</p>
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<p>with one of the strategic documents included in this chapter as relevant for the energy efficiency field.</p>	<p><u>Relevant facts:</u> One of the policy improvements proposed by Florentine Energy Agency (AFE) refers to higher score if interventions in terms of seismic improvement were foreseen in the building.</p>
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Activities		
Please list and describe the activities to be implemented including the timeframe		
Activity Number	Activity Description	Timing (month/year or specific date where possible)
1.	<p>Organisation of public consultation for the discussion of the new guidelines for applicants in the framework of Investment Priority Axis 3.1 Operation B - public buildings – Call dedicated to the Danube Delta Integrated Territorial Investment Area.</p> <p>The MA is responsible to initiate the public consultation in terms of new content of the applicant guidelines.</p> <p>The IB will support the campaign by publishing the draft version of the guidelines on its website.</p> <p>SE RDA team will maintain the contact with the IB to find out the preliminary results.</p>	April 2019
2.	<p>Publication of the final version of the guidelines for applicants in the framework of Investment Priority Axis 3.1 Operation B - public buildings – Call dedicated to the Danube Delta Integrated Territorial Investment Area.</p> <p>The MA is responsible to analyse the feedback received from the potential applicants and to integrate all the information into the final version of the applicant guidelines.</p> <p>The MA and the IB publish the final version of the applicant guidelines.</p> <p>SE RDA project team will analyse the improvement of the guidelines in relation with the initially proposed changes.</p>	April – May 2019

3.	Launching of the new call for proposals in the framework of Investment Priority Axis 3.1 Operation B - public buildings – Call dedicated to the Danube Delta Integrated Territorial Investment Area	May 2019
4.	Projects developed in line with the new guidelines, and submitted within Priority Axis 3.1 Operation B - public buildings – Call dedicated to the Danube Delta Integrated Territorial Investment Area	June-September 2019
5.	Projects evaluation (administrative compliance & eligibility; technical and financial evaluation)	October 2019 – January 2020
6.	Contracting phase of the approved projects	January 2020 – July 2020
7.	Implementation of the energy efficiency projects	August 2020-December 2023 (the latest)
8.	Setting-up of a monitoring tool on the results obtained in terms of policy improvement	April 2019 – June 2019
9.	<p>Monitoring of policy improvement results:</p> <ul style="list-style-type: none"> Monitoring of the indicators ranged from 1 to 4 (see section “Indicators” of the Action Plan) Monitoring of the projects results in terms of energy efficiency in renovated buildings (indicator no 5 - see section “Indicators” of the Action Plan) <p><i>NB: There is a risk that projects’ durations will exceed the end of Rebus phase 2 (the projects duration is of 2 years). This fact might be an obstacle in measuring the results of the energy efficiency measures carried out.</i></p>	<p>April 2019– March 2021</p> <p>April 2019-September 2019</p> <p>August 2020-March 2021</p>

Players involved	
(please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)	
Name of Organisation	Role in Action Plan (max.200 characters)
SE RDA – Intermediate Body (IB) for ROP 2014-2020	Support the development as well as implementation and monitoring of the Action Plan. As for the development process, the IB had a major role in defining the policy improvement by providing relevant information as concern: the progress of ROP 2014-2020-Priority axis 3.1; weak points in the process of projects submission/evaluation/selection; proposals for new guidelines improvement. Moreover, the IB facilitated the communication with the Managing Authority – MA (Ministry of Regional Development and Public Administration). During the implementation phase of the Action Plan, the IB will maintain the contact with the MA and SE RDA project team by providing new relevant information in terms of the progress of the new call launch for the potential applicants under Priority Axis 3.
Ministry of Regional Development and Public Administration - Managing Authority (MA) for 2014-2020 ROP	They were involved in the development phase of the Action Plan and they will continue to support SE RDA by integrating the proposals for the policy improvement in the new guidelines to be published.
SE RDA – Implementation Projects Department	Coordinator of the process for the policy improvement; promoter/ambassador of the Policy Improvement towards the members of the Local Stakeholder Group; maintain the contact with the Intermediate Body representatives; responsible for the implementation and monitoring of the Action Plan
Buzau City Hall – local stakeholder	Buzau City Hall represents the strategic partner at local and had a major role in supporting SE RDA for the development of the Action Plan. As Buzau City Hall is one of the beneficiary for ROP 2014-2020, axis 3.1, they contributed by providing relevant information as concerns the difficulties met in the phases of energy efficiency project development and submission for the calls of proposals already launched; During the implementation of the Action Plan they will be involved in raising awareness and dissemination of information towards other public

	institutions: schools, hospitals etc.
Municipalities from the SE Region – local stakeholders	During the implementation phase, they will be involved in raising awareness towards the policy improvement
Experts in energy efficiency, energy efficiency auditors - local stakeholders	They were consulted during the development phase of the Action Plan and they will be involved in raising awareness towards the policy improvement, as well.

Risk and Contingency Plans

please describe what you see as the main potential risks related to this Policy Improvement and eventual contingency plans – add as many lines as necessary

Description of Risk	Level of probability (High, Medium, Low)	Description of Contingency Plan
Potential lack of participation and uptake of the Action Plan	Medium	Develop increased awareness and continue to engage Managing Authority
Limited influence to change the Policy Instrument	Medium	Develop good relationships with key staff members and decision-makers with the Managing Authority to highlight the benefits of the Policy Instrument.
Changes in the timeframe of publication of the guidelines for applicants	High	Maintain permanent contact with the Managing Authority representatives and periodically update the work plan for implementation phase.
Not all the changes proposed to be integrated in the final version of the applicants guidelines	Low	The proposed changes have been previously discussed with the Managing Authority.

Costs

Please describe the costs required to implement the Action Plan. This can refer to human resources and external costs required to set up the actions and to any funding required (e.g. if the Action refers to a call for proposals / a funding scheme)

Costs related to the implementation of the Action Plan are:

External costs:

- costs for the organization of the raising awareness campaign to promote the published applicant guidelines;
- evaluation costs (technical and financial evaluation) including analysis of complaints for the projects submitted under the new call of proposals;

Staff costs:

- administrative compliance and eligibility of the projects submitted under the new call of proposals;
- analysis of complaints after checking the administrative compliance and eligibility of the projects submitted under the new call of proposals;
- contracting costs of the approved projects;
- implementation costs of the projects (monitoring, financial checking, procurement etc).

Funding sources

(with reference to the above costs, please describe where the budget comes from to finance them)

The costs shall be covered from Technical Assistance for the Priority Axis - Priority Axis 3.1: “Supporting energy efficiency, intelligent energy management and renewable energy use in public infrastructures, including in public buildings and in the housing sector” within ROP 2014 – 2020 (ERDF and National Budget).

Target Amount influenced

The financial allocation for the new call of proposals dedicated to Priority Axis 3.1: “Supporting energy efficiency, intelligent energy management and renewable energy use in public infrastructures, including in public buildings and in the housing sector”, Operation B - public buildings – Call dedicated to the Danube Delta Integrated Territorial Investment Area is 35 mil. EUR, of which 29,75 mil. EUR represents ERDF contribution and 5,25 mil. EUR represents National Budget contribution.

Monitoring <i>Please describe the monitoring tools and indicators that you expect to use in Phase 2 – Implementation to ensure that your Action Plan is implemented correctly.</i>			
Monitoring tools <i>(description of the tools and how they will be applied)</i>		<ol style="list-style-type: none"> 1. Monitoring report (excel file) to be drafted at the beginning of phase 2 and periodically updated with results from approved projects 2. The results and, in particular, any problems or concerns that may occur will be discussed during working meetings with the representatives of the Intermediate Body. 	
Indicators <i>NB: The indicator included in the Application Form should be reported here, as well as any other indicator deemed necessary</i>		target amounts	Means of Verification
1	public consultation organised	1	MA&IB's websites
2	final version of the guidelines published	1	MA&IB's websites
3	call of proposal launched	1	MA&IB's websites
4	number of projects submitted under the new improved call of proposal (at regional and per counties)	10	List of projects submitted (drafted by the IB)
5	number of buildings with improved classification of energy consumption (self-defined indicator from the REBUS application)	10	Audit energy certificates that are mandatory for the grant beneficiaries (initial and after implementation of energy efficiency measures)

Part IV – Official Signature(s)