ASPECTS REGARDING THE ABSORPTION OF EUROPEAN FUNDS IN THE PERIOD 2014-2020 AND THE PROGRAMMING OF FUNDS RELATED TO COHESION POLICY FOR THE PERIOD 2021-2027

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Abstract
In the article, a study will be carried out on the amounts accessed through Community funds. The European Union's strategy for 2014-2020 set out a number of objectives (smart, sustainable and inclusive growth, maximizing the impact of funding and other objectives). The paper will also present the regional allocation criteria, taking into account the less developed regions for which the allocation funds will be larger. Also, the policy adopted for the period 2021-2027 regarding the allocation funds and the objectives pursued to be achieved by allocating these funds will be analyzed.

Keywords: *European funds, absorption strategy, access*

JEL classification: E22, F43

1. Introduction

The European Union is committed to creating more and better jobs and a socially inclusive society. This objective was at the core of the Europe 2020 strategy. The purpose of the European Union's Structural and Investment Funds (ESI), for the period 2014-2020, was to support the implementation of that strategy, as well as the specific missions of the funds, including economic and social cohesion. and territorial. Thus, through the cohesion policy of the European Union promoted until 2020, a series of measures were provided that ensured Romania to boost the observance of funds to ensure the achievement of objectives in the field of infrastructure, access to drinking water, conversion of labor, job creation, etc.

For the period 2014-2020, the five funds under development have entered the sphere of cohesion policy, the common agricultural policy and the common fisheries policy at European Union level. The five structural and investment funds () ESi of the European Union carried out in the period 2014-2020 were: European Regional Development Fund (ERDF); European Social Fund (ESF); Cohesion Fund; European Agricultural Fund for Rural Development (EAFRD); European Fisheries and Maritime Fund (EMFF) (ec. Europe.) [5].

Romania, in the period 2014-2020, was only in the second exercise of multiannual programming and communication on European funds and the Union's contribution to the activities financed by them.

Regarding the institutional structure that managed the ESI funds for this period, 2014-2020, it changed compared to the first period leaving only three Ministries involved in the management of European funds, namely: Ministry of European Funds, Ministry of Regional Development and Public Administration and Ministry of Agriculture and Rural Development.

2. Absorption of European Funds Performed in The Period 2014-2020

The reform of the ESI Funds in the period 2014-2020 aimed at maximizing their contribution to the Europe 2020 strategy. The Europe 2020 strategy pursued three general socio-economic objectives, namely:

1. Sustainable growth - with the objectives: strengthening research, technological development and innovation; improving access to and use of and increasing the quality of ICT; improving the competitiveness of SMEs, the agricultural sector (in the case of the EAFRD) and the fisheries and aquaculture sector (for the EMFF);
2. Smart growth - with the objectives: to support transactions towards a low-carbon economy in all sectors; promoting climate change adaptation, prevention and risk management; conservation and protection of the environment and efficient promotion of resources; promoting sustainable transport systems and removing bottlenecks in major network infrastructure;
3. Inclusive growth - with the objectives of: promoting the sustainability and quality of jobs and supporting labor mobility; promoting social inclusion, combating poverty and all forms of discrimination; investments in education, training and vocational training for skills and lifelong learning; strengthening the institutional capacity of public authorities and stakeholders and an efficient public administration.

The general missions of ESI have been defined in the Treaties. With regard to cohesion policy, two key objectives have been set following the reform, namely:

1. Investing for growth and jobs, a goal common to all three categories of regions: less developed regions, transaction regions and more developed regions (supported by the ERDF, the ESF and the Cohesion Fund).
2. European territorial cooperation, which was supported by the ERDF.

As regards the EAFRD, in the period 2014-2020, the reform of the common agricultural policy was carried out in order to set three objectives:

1. Promoting the competitiveness of agriculture;
2. Sustainable management of natural resources and climate change, including the provision of public goods in rural areas and the conservation of European landscapes;
3. Balanced territorial development of rural economies and employment.

The regulatory framework for the period 2014-2020 has created new incentives for Member States to realize EU priorities and thus maximize the impact of the Union's contribution to the fishery through the following mechanisms:

- Framework and performance reserve;
- Exempt conditions;
- Conditionality related to good economic governance;
- Financial instruments.

Regarding European territorial cooperation, also called Interreg, the financial package for the period 2014-2020 was 10.1 billion euros, representing 2.75% of cohesion policy, an amount distributed among 107 programs. This budget has supported cross-border cooperation, transnational cooperation, interregional cooperation and the amounts allocated for Member States' participation in EU external border cooperation programs supported by other financial instruments (the Instrument for Pre-Accession Assistance and the European Neighborhood Instrument).

Regarding the resources allocated from the ERDF, the ESF and the Cohesion Fund in the period 2014-2020, they were:

The allocations from the ERDF, the ESF and the Cohesion Fund for the period 2014-2020 were [6]:

Table no. 1 **The allocations from the ERDF, the ESF and the Cohesion Fund for the period 2014-2020**

Member States of the European	Total EAFRD 2014-2020

Union	
Belgium	647.797.759
Bulgaria	2.366.716.966
Czech Republic	2.305.673.996
Denmark	918.803.690
Germany	9.445.920.050
Estonia	823.341.558
Ireland	2.190.592.153
Greece	4.178.291.793
Spain	8.297.388.821
France	11.384.844.249
Croatia	2.026.222.500
Italy	10.444.380.767
Cyprus	132.244.377
Latvia	1.075.603.782
Lithuania	1.613.088.240
Luxembourg	100.574.600
Hungary	3.430.664.493
Malta	97.326.898
Netherlands	765.285.360
Austria	3.937.551.997
Poland	8.697.556.814
Portugal	4.085.460.374
Romania	8.127.996.402
Slovenia	837.849.803
Slovakia	1.559.691.844
Finland	2.380.408.338
Sweden	1.763.565.250
United Kingdom	5.199.666.491
EU 28	99.347.509.365

Source: www.ec.europa.eu

Starting with 2015, project calls were launched for all 6 operational programs (OP) FESI - OP Large Infrastructure, Human Capital, Competitiveness, Technical Assistance, Regional, Administrative Capacity, as well as for FEAD - POAD. The total budget launched for these calls is approx. 28.7 billion euros, representing 104.5% of the total allocation of approx. 27.4 billion euros available for the implementation of these programs.

By January 2021, 9,695 financing contracts were signed, totaling approx. 38.7 billion euros, representing 138% of the total allocation for these OPs.

Under these contracts, payments were made by managing authorities amounting to 10.3 billion euros [3].

Table no. 2 **The amounts allocated to Romania for the multiannual financial framework 2014-2020, in total and by operational programs**

Program	**Fund ESI**	**Total million euros**	**Total %**
Po Large Infrastructure	FEDR	2.103,53	6,72
	FC	6.535,00	20,86

PO Human Capital	FSE + ILMT	4.362,06	13,93
PO Helping Disadvantaged People	FEAD	441,01	1,41
OP Administrative Capacity	FSE	563,59	1,80
PO Competitiveness	FEDR	1.829,79	5,84
OP Technical Assistance	FEDR	332,76	1,06
PO Regional	FEDR	6.860,00	21,90
PN Rural Development	FEADR	8.128,00	25,95
OP Fisheries and Maritime Affairs	FEPAM	168,42	0,54
TOTAL		31.324,16	100%

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The structure of the amounts allocated to Romania for the multiannual financial framework 2014-2020, in total, by operational programs is the following:

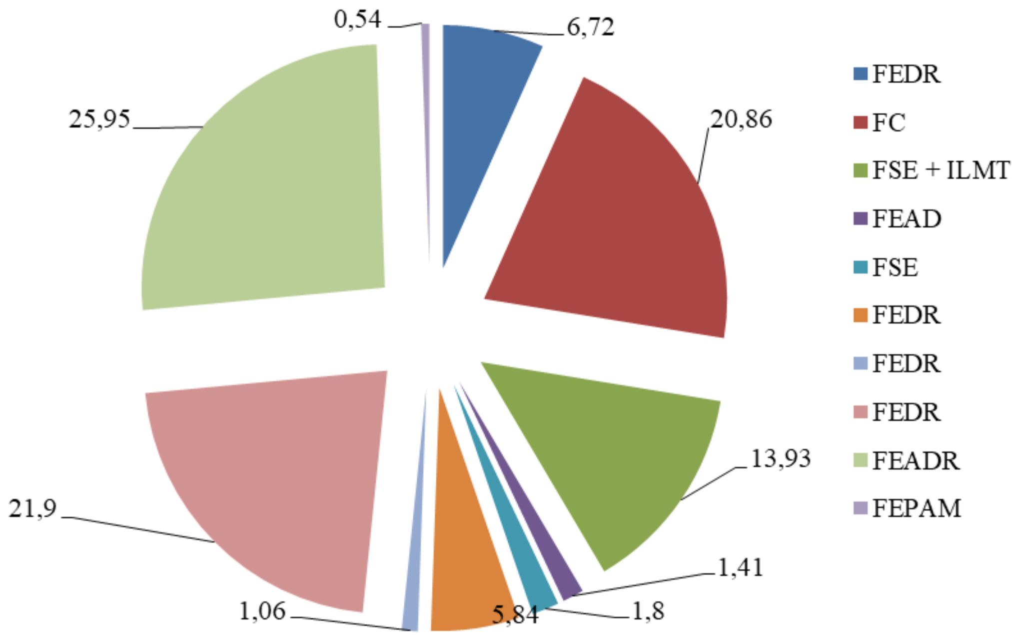

Figure no. 1 The structure of the amounts allocated to Romania for the multiannual financial framework 2014-2020, in total, by operational programs

Payments were made (EAFRD and State Budget) in the public amount of 6,816.03 million euros (according to the quarterly statements of expenditure sent during 2016 - 2020-quarter III, to which are added the payments made in October - December 2020). Of this value, only the value of payments made from the EAFRD to the beneficiaries of all PNDR measures is 5,900.61 million euros (absorption rate 72.60%).

Regarding the preparation of the programming period 2021-2027, in the Government meeting of September 5, 2018 was signed the Memorandum on "Preparation of national documents for programming funding from European funds post 2020" which established a timetable for the development of strategic documents / national sectoral action plans post 2020 and prioritization of investments from European funds post 2020, under the conditions of the new European legislative package 2021-2027. Thus, a series of relevant action plans for the fulfillment of the preconditions were established at the level of the responsible authorities, which were approved by Government Memoranda.

As a result of the COVID-19 crisis, the current challenges are related to the economic recovery and in this sense priority is given to measures on job retention, improving access to employment, employment and reintegration, developing skills of employees, related to supporting entrepreneurship, employment structures. social economy and other business initiatives, in order to reduce the negative effects caused by the limitation or interruption of socio-economic activities.

Table no. 3 **The evolution in structure of the Amounts allocated to Romania for the multiannual financial framework 2014-2020, in total, by years and by operational programs**

Program	Fonduri ESI	2014	2015	2016	2017	2018	2019	2020
Po Large Infrastructure	FEDR	0,00	593,27	324,66	333,05	180,35	420,24	251,96
	FC	0,00	1.710,04	949,84	999,90	1.046,79	1.093,83	734,60
PO Human Capital	FSE + ILMT	561,79	583,86	575,92	624,85	648,45	672,17	695,02
PO Helping Disadvantaged People	FEAD	59,32	60,50	61,72	62,95	64,22	65,50	66,80
OP Administrative Capacity	FSE	67,22	71,39	75,92	79,53	83,04	86,43	100,06
PO Competitiveness	FEDR	156,53	168,17	171,39	184,73	201,79	210,67	736,51
OP Technical Assistance	FEDR	21,28	31,91	28,91	31,91	71,92	31,91	114,92
PO Regional	FEDR	0,00	1.671,14	941,39	994,50	1.165,65	1.029,45	1.057,87
PN Rural Development	FEADR	0,00	1.723,26	1.751,61	1.186,54	1.184,73	1.141,93	1.139,93
OP Fisheries and Maritime Affairs	FEPAM	0,00	46,47	23,59	23,98	24,53	24,70	25,15
TOTAL		**866,14**	**6.660,01**	**4.904,95**	**4.521,94**	**4.671,47**	**4.776,83**	**4.922,82**

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3. Programming of Funds Related to Cohesion Policy

FOR THE PERIOD 2021-2027Romania has been allocated for the years 2021-2022 both funds related to the Multiannual Financial Framework 2021-2027 (MFF) and EURI funds (European Union Recovery Instrument); these allocations will be added to the EAFRD funds already allocated for the period 2014-2020.

Regarding the preparation of the 2021-2027 programming period, the following measures have been taken:

➢ ensuring the monitoring of the fulfillment of the preconditions;

➢ initiating the partnership framework and setting up Working Groups for the elaboration of post 2020 programming documents;

➢ elaboration of 2021-2027 programming documents and finalization of negotiations with the European Commission.

The European Commission has taken various measures to respond to the crisis caused by the COVID-19 pandemic, such as:

• providing loans of up to EUR 100 billion for short-term employment programs under the SURE program

• the creation of the Coronavirus Response Investment Initiative (CRII) and the Coronavirus Response Plus Investment Initiative (CRII +) to enable EU countries to use cohesion policy funds to support the sectors most affected by the crisis caused by the pandemic

• signing contracts with six pharmaceutical companies to ensure that citizens have access to vaccines against COVID-19

• mobilization of EUR 2.7 billion under the Emergency Support Instrument to help EU countries alleviate the immediate financial cost of the pandemic

• providing funding of up to EUR 750 billion under the NextGenerationEU Recovery Fund to help achieve a greener, more digital and more sustainable recovery.

Table no. 4 Multiannual financial framework

Nr. crt.	Commitment appropriations	Total 2021-2027 (EURO million - 2018 prices)	Total 2021-2027 %
1.	The single market, innovation and the digital sector	132.781	12,36
2.	Cohesion, resilience and values	377.768	35,16
3.	Natural resources and environment	356.374	33,17
4.	Migration and border management	22.671	2,11
5.	Security and defense	13.185	1,23
6.	Neighborhood and the whole world	98.419	9,16
7.	European public administration	73.102	6,80
TOTAL		**1.074.300**	**100%**

https://eur-lex.europa.eu/

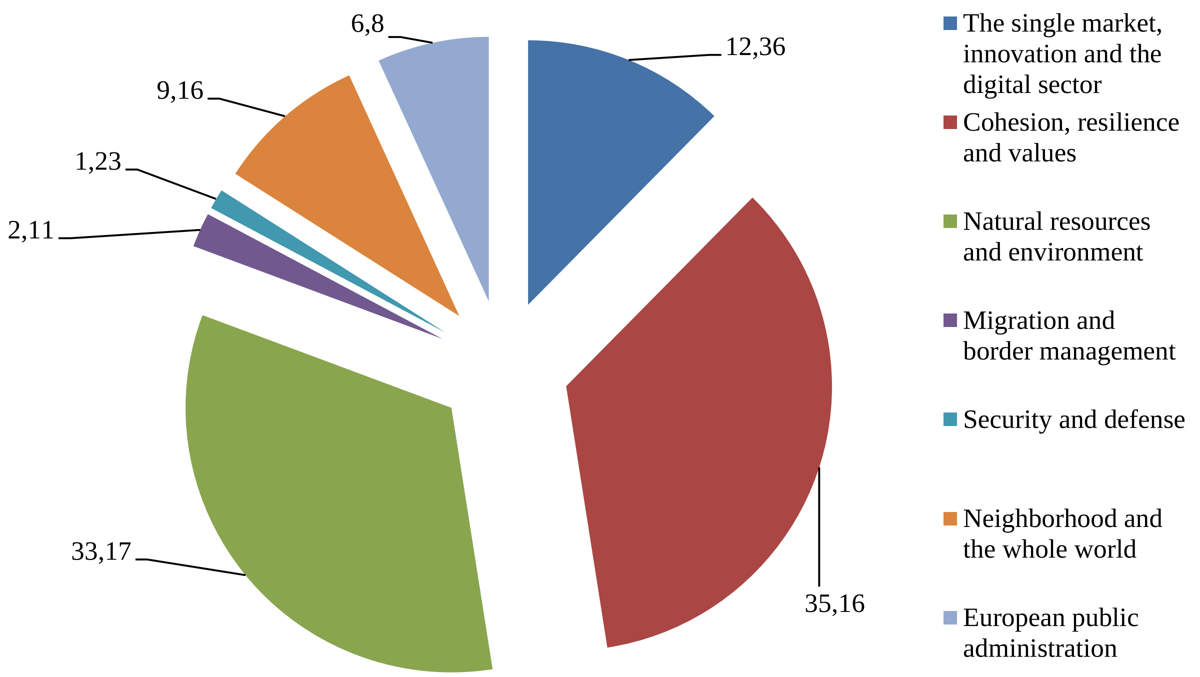

Figure no. 2 Structure of total EU27 commitment appropriations for the period 2021-2027

3. Conclusionse

The main objectives pursued by the European Commission were the objectives of the Europe 2020 Strategy for smart, sustainable and inclusive growth, with an emphasis on the strategy of maximizing the impact of European Union funding in these areas.

There has also been equitable regional development of all regions of the European Union. In this direction, GDP per capita was the element of the division of the regions into the three regions of the Member States (less developed regions - those regions that perform below the EU average per capita; transit regions - the regions with achievements of 75 % - 80% of the EU average; more developed regions - regions with achievements over 90% of the EU average).

For Romania, attracting community funds remains a desideratum and a possibility for economic growth.

Following the crisis caused by the COVID-19 pandemic, the EU will now focus on economic recovery, without loses sight of the need to protect the health of citizens

In order to meet the targets set for the period 2021-2027 (the new EU financial policy must address the unprecedented economic and health challenges posed by the COVID-19 pandemic and to contribute to Europe's pioneering role in responsible transformation and agreed), it was agreed that at least 30% of the EU budget should be allocated to climate policies. In addition, they will be favor projects designed to improve the health of European citizens and protect them from the spread of COVID virus19

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