

***COUNTRY PROGRAMME ACTION PLAN
(CPAP)
2010-2012***

***Government of Romania
United Nations Development Programme (UNDP)***

THE FRAMEWORK

The Government of Romania and the UNDP-Romania are in mutual agreement to the content of this document and their responsibilities in the implementation of the country programme.

Furthering their mutual agreement and cooperation for the realization of the Millennium Development Goals and the United Nations Conventions and Summits to which the Government of Romania and UNDP are committed.

Building upon the experience gained and progress made during the implementation of the previous Country Programme 2005-2009,

Entering into a new period of cooperation 2010-2012

Declare that these responsibilities will be fulfilled in a spirit of close cooperation and have agreed as follows:

Part I. Basis of Relationship

1.1 WHEREAS the Government of Romania (hereinafter referred to as "the Government") and the United Nations Development Programme (hereinafter referred to as UNDP) have entered into a basic agreement to govern UNDP's support to the country (Standard Basic Agreement (SBA), which provides the basis for the relationship between the two parties, which was signed by both parties on 23 January 1991, this Country Programme Action Plan (CPAP), together with Annual Work Plan(s) (which shall form part of this CPAP, and is incorporated herein by reference) concluded hereunder constitute together a project document as referred to in the SBA.

Part II. Situation Analysis

2.1. Romania joined the European Union (EU) on 1 January 2007 following a pre-accession period which saw fundamental reforms towards deepening democratic and market economy practices. Following accession, the country qualified for access to substantial EU structural and cohesion funds, including for social inclusion, regional development, environmental infrastructure and administrative capacity development.

2.2. Despite significant advancements in social development and reduction of poverty, development disparities persist especially in less developed regions and in the rural sector; and, among vulnerable social groups..

2.3. The **disabled**, and young people **leaving institutional care** and the **elderly** are identified by national authorities as vulnerable groups for whom social policy attention will continue to be given in the programming period.

2.4. The **Roma** face further challenges in social inclusion and experience a high incidence of poverty in Romania and other member states of the EU. The national strategy for Roma

inclusion was adopted in 2007. Successful programs targeting Roma inclusion are needed for attaining Romania's social inclusion goals and could also be useful for the benefit of other countries facing challenges of Roma inclusion. The Decade for Roma Inclusion provides a useful international collaboration framework in this regard.

2.5. Active labor market programs require further strengthening in order to further integrate vulnerable groups, while population dynamics, notably **migration**, continue to affect labor market dynamics.

2.6. Although **gender equality** is achieved in key social development indicators, the Government pursues a strong gender equality policy to ensure its full attainment in all fields. Gender equality remains in serious deficit in the area of political representation. Despite sound legislative framework, day to day business practices for **women** in employment, including work-life balance solutions, have yet to be fully attained.

2.7. The global economic downturn in 2009 is impacting Romania by reduced remittances and by delimiting public expenditures for basic services, further underlining the need for inclusive and participatory, evidence based public policy debates, analysis and policy implementation.

2.8. Similarly, the global challenge of climate change is responded to in Romania through a national strategy and action plan on climate change. Nevertheless, successful examples of scalable programs on mitigation and adaptation are further required especially for vulnerable consumers and less developed regions.

2.9. The civil society, including NGOs, has accumulated valuable development experience in Romania. Their further positive impact on national and international development however requires further improvements in the legal framework and the introduction of sustainable financing mechanisms for their continued policy and project level effectiveness.

2.10. EU membership also poses new challenges and opportunities for Romania to enter into a new sphere of relations with the international development community. Development cooperation is a shared competence with the EC and consequently the Government of Romania, along with other new EU Member States, aims to achieve the goal of allocating 0.33% of GNI by 2015 for development assistance (ODA).

2.11. Indeed, Romania is poised to play a lead role among the new member states in advancing this goal, and in contributing towards the global achievement of the MDGs by becoming more active promoting global and regional public goods and governance institutions. Similarly, the Government links its growing development cooperation role to efforts to promote **regional and national public goods**, through regional leadership in trade, energy supply, environment and peace and security.

Part III. Past Cooperation and Lessons Learned

3.1. The UNDP Country Program Document for the period 2005-2009 focused on three program objectives: (i) capacity building for democratic governance; (ii) environmental governance; and, (iii) economic growth and poverty reduction. Delivery through the end of 2008 has been approximately USD23million, falling short of the USD38million target for the entire period.

3.2. In this context, for the objective of building capacities for **democratic governance**, UNDP has contributed to public administration capacity through partnerships ranging from the highest level of government, the Presidential Administration, to local levels where civic engagement in sustainable development planning and programming has been supported through the Local Agenda 21 program, which now spans practically over the whole country. Civil

service capacities have also been enhanced through the training of civil servants at prestigious learning institutions in Europe through partnership with the Ministry of Education.

3.3. The rights of people with **HIV/AIDS** and victims of **trafficking** have been promoted through partnership projects with the relevant agencies. In the area of human rights of vulnerable groups, UNDP has supported the work and program implementation of the National Agency of Roma and key non-governmental actors, through programs supporting local level empowerment of minorities through economic development.

3.4. **Socio economic development**, with a view to supporting reduction of poverty among vulnerable groups through enterprise and economic development constituted one of the largest areas of support of UNDP during the past programming period. This support was provided through a series of programs providing business development and incubation services for enterprises in particular the National Multiannual Programme of Establishment and Development of Business and Technological Incubators. This programme aims to develop entrepreneurship as a means to generate new jobs and attract foreign investments in the targeted areas. The relevance of this programme in the present economic context is undeniable and the sustainability of the six already set up incubators as well as the two incubators planned to open in the next period is ensured through the efforts of all national and local stakeholders involved. Local area development initiatives, combining efforts to rehabilitate urban environments and cultural heritage, have been supported through partnerships with local authorities and the overall coordination of the Ministry of Development and Public Works, through the flagship program Beautiful Romania. A comprehensive evaluation of this portfolio of projects has been conducted and points out that UNDP should selectively support job creation and local area development interventions only when such interventions are linked to broader national policy instruments that will support transformative change. The same evaluation underlines UNDP's integrative role as a strength that could be leveraged by the Government of Romania in programs that require inter-ministerial coordination, participation of local authorities and pooling of multiple sources of funding.

3.5. Through the programming period, the UNDP supported the capacities of the newly established natural parks administrations and promoted innovative approaches for **environmental protection** in the country's less developed and remote regions of Maramures and Macin Mountains, leading at the end of the programming period to an ambitious portfolio of projects poised to benefit from Global Environment Facility (GEF).

3.6. The UNDAF (2005-2009) mid-term review exercise conducted in 2008 points at the continued relevance of UNDP support to national capacity development for environmental management and social and economic development at national and local levels, highlighting the strengths of UNDP's partnerships at local levels as critical success factors.

3.7. The need for enhanced monitoring and timely corrective action with regard to ensuring cost-effectiveness and results orientation of interventions supported by UNDP has been identified and began to be addressed toward the end of the programming period.

3.8. An important experience during this programming period has been the annualized nature of Government Cost-Sharing contributions, available as per the applicable budget regime only towards the middle of the calendar year with need to finalize all planned project activities by year end. This has reduced the possibility for stock taking and evaluations which would have strengthened progressively the impact of the programming in each successive year. Consequently the positive impact on capacity development of partner national agencies has not been systematically accumulated. Similarly the brevity of actual project implementation has detracted from sustainability and year-on-year accumulation of programmatic impact. The need for more systematic capacity development interventions along with sustained program

implementation year-on-year have begun to be addressed towards the end of the programming period through more rigorous multi-annual programming and efforts to ensure a year round funding base in cost-sharing arrangements.

3.9. Furthermore, UNDP's programmatic partnership with the Government has not been fully integrated into the larger areas of national programming and planning within the context of EU policies and instruments, especially those targeted at gender equality and social inclusion. This integration has been sought towards the end of the programming period (in 2009) through better alignment of the country program results with European programming instruments, resulting in a portfolio of projects in cooperation with the Managing Authority of the Government of Romania for European Structural Funds under the human resources development window.

3.10. Also towards the end of the past programme period, and in line with the broader objective to align UNDP programme to exigencies of EU accession, UNDP supported the Government's ODA policy and programming by provision of critical capacity development interventions, including for enhanced legislative frameworks for ODA delivery.

Part IV. Proposed Programme

4.1. The strategic goal underpinning Romania's partnership with the UN is the advancement of Romania's role in international development cooperation in accordance with Romania's geopolitical and strategic position and profile as an active and responsible member of the European Union and the international community.

4.2. At the end of the programming period, the Government of Romania will have at its disposal, a Romania-UN(DP) partnership model which will produce innovative and multi-actor knowledge and international networking base for Romania's contribution to internationally agreed development goals.

4.3. At the end of the programming period, a "new model of cooperation" between a EU member state and UNDP will have been developed and its implementation tested. The Government of Romania will have pioneered a new partnership with the UN in line with the applicable EU policy on multilateralism and ODA, by availing from Romania an innovative and multi-actor knowledge and networking base, supported by the UNDP and UN Country Team, for benefit for international and national development goals. This knowledge and networking base will derive from the accumulated transition and developmental experience of Romania's governmental and non-governmental organizations by systematic compilation and codification of the capacities of civil society, local authorities and a network of national authorities for the benefit of development cooperation at a global scale supported by the UN and UNDP.

4.4. The Government of Romania and UNDP will achieve this through three mutually interlinked country program components, entailing projects and activities that will increase Romania's capacity to contribute to inclusive globalization in a sustainable manner while enabling by the end of 2012 better utilization by national actors of the programming and policy instruments available to Romania as an EU member state.

4.5. The consultative process for the preparation of the CPAP was conducted at the same time as the consultative formulation process of the CPD, in other words, the Government and the UNDP manage the two processes in a coterminous manner starting in March 2009 with the joint elaboration of Country Programme outcomes. Consequently, parallel Country Programme review and formulation forms took place from May to September 2009. The detailed formulation of the legal, financial underpinnings of a new Country Programme continued into focused CPAP formulation exercises in January 2010.

The three components of the Country Programme are as follows:

Programme Component I: Capacity Development for Romania's International Cooperation and Aid Effectiveness

4.6. In line with Romania's strategic objective to become a lead and responsible actor in international development platforms, UNDP will go beyond supporting the delivery of Romania's ODA to other countries, and embark on a programme whereby the institutional, legal and regulatory framework of the country enable Romania to play a leading role in the region in development cooperation. This programme component supports the goal of achieving the MDGs through international development cooperation.

4.7. This will be achieved by capacity development interventions geared at channeling Romania's development experience and capacities to globally agreed development goals, notably the MDGs, through mechanisms that leverage Romania's recent transition experience.

4.8. In this context, drawing on the diverse and dynamic civil society, private sector and decentralized administrations' knowledge and experience will underpin UNDP's programme strategy. UNDP will thus contribute to an inclusive globalization process through enhancing the targeting, relevance and effectiveness of Romania's international cooperation, in line with the Paris Aid Declaration objectives in support of the MDGs. Success factors will include the percentage of Romanian development cooperation support for gender equality objectives as harbored in the MDGs.

4.9. UNDP support will be in the form of capacity assessments and capacity development interventions targeting the improvement of the institutional and regulatory framework for ODA, including the conduits for non-fiduciary assistance to other developing countries. Emphasis will be placed on supporting Romania's potential leadership of innovations in development cooperation, that leverage the county's commitments to multilateralism. Support in this area will be provided through partnerships with the authorities responsible for ODA strategies; the governmental and non- governmental partners and stakeholders.

4.10. Furthermore, UNDP will support national partners to share Romania's development experience with developing countries through building capacities for national development-knowledge management. National institutional capacity for development-knowledge management and sharing increased for the benefit of global development efforts will be supported through the establishment of a "new model of cooperation" between a EU member state and the UN(DP) which will be determined in the course of the CPD. UNDP will support its national partners in identifying and then codifying its development experience that will be of relevance to the needs of other developing countries and development practitioners, including with focus on gender equality.

Programme Component II: Capacity Development for Romania to contribute to the promotion and protection of global and regional public goods

4.11. The paradigm of Global Public Goods (GPG) is increasingly entering the global development agenda as a possible prism through which to view relations between aid recipient and donor countries. The Government of Romania notes that its new EU membership status and its historical tradition of playing important roles in the international arena compel Romania to increase its contribution to global and regional public goods that require partnerships with the international community and commitments.

4.12. To this end UNDP will support Romania's development partnerships with countries and organizations in the region, starting with neighboring and priority countries to design and implement creative cross-border cooperation programmes that leverage Romania's development capacities, structural funds and other national and third-party funding for cross border programming, to protect and promote GPG. Programmes will focus on, for example, biodiversity, climate stability (i.e. change adaptation and mitigation mechanisms), clusters on

agro-food, ICT, geo-thermal resources and shared cultural heritage and include transfer of knowledge and expertise from Romania in all key practice areas of UNDP.

4.13. In this context, efforts in Romania will be pursued for Romania to exceed relevant EU requirements in areas such as energy efficiency so as to leverage its capacities – private and public- in regional efforts to mitigate impacts of climate change.

4.14. The UNDP will cooperate actively with bodies of regional and sub-regional scope and identify elements of policies and policy instruments of relevance for increasing Romania's contribution to regional and cross border development cooperation programmes.

4.15. In particular, the Danube, the Danube Delta Biosphere Reserve, the Lower Prut basin and the Carpathian Mountain ranges will be the main focus of cross border programming efforts to protect and promote biodiversity and cultural heritage whilst UNDP work in Black Sea Basin will be mainly focused on promoting climate stability i.e. climate change adaptation.

4.16. Romania's national action plans for implementing global initiatives such as the Alliance of Civilizations will be supported through programmatic partnerships with the national actors of the action plans and their civil society partners. Other *fora* for international partnerships and cultural exchange will also be supported towards multilateralism and promotion of tangible and intangible public goods.

4.17. Furthermore, Romania's strong track record of cooperation with UN in emergency preparedness and post crisis recovery will be leveraged for Romania's increased participation in region wide and international response and recovery programmes.

Programme Component III: Capacity development for social inclusion, economic and political empowerment of vulnerable groups and for deepening democratic practice

4.18. The National Development Plan 2007-2013 of Romania represents a strategic plan and a financial instrument of the Romanian Government in line with the Cohesion Policy of the European Union. The main objective of the UNDP for Romania is to diminish the social and economic disparities between Romania and other EU Member States.

4.19. UNDP will support the realization of the National Plan objectives through identification, design and management of programmatic interventions targeting vulnerable groups and best practice mainstreaming of gender equality and human rights based approaches. In so doing special emphasis will be given to initiatives with relevance to Romania's international development cooperation priorities.

4.20. The programming approach will be national ownership and partnership with national authorities, including those responsible for management and programming of structural and cohesion funds with the objective of ensuring that strategic projects for social inclusion of Roma, the disabled, young people leaving institutional care and gender equality are implemented while addressing imbalances of the labor market including the challenges posed by migration and the multiple impacts of the global economic crises on Romania.

4.21. As such, the country programme is an important instrument for Romania to benefit from UNDP and UN partnership in enhancing the capacity of national development actors, including civil society, to leverage and utilize structural and other development funds while endowing Romania with further developmental experience and knowledge to share with other developing countries. The UNDP will conclude grant agreements with the relevant managing authorities under the overall programming context of this CPAP. Such output projects form an integral part of the CPAP as presented in the attached Results and Resources Framework (Annex 1).

4.22. Programming in this area will support the development of public policy and instruments aimed at social inclusion, following ILO decent work models and "social economy" enterprises (cooperatives, non-profit distributing associations with economic activities, mutual insurances,

foundations and similar entities) that are present in many sectors of the economy whose business model permits operators to do business differently from the traditional capital companies, building on the experience of other UNDP Country Offices, e.g. Poland, in piloting and scaling up social economy models.

4.23. UNDP will build on its past experience and the regional expertise of the Bratislava Regional Centre in all programming areas, including regional programs on the situation of the Roma.

4.24. Furthermore, joint programming notably with UNICEF and UNFPA will be critical strategic elements of this programming area. UNESCO will be invited into partnerships in the area of world heritage sites and cultural heritage promotion and protection.

Part V. Partnership Strategy

5.1. The CPAP at hand supports the implementation of an innovative partnership between the Government of Romania and UNDP as described in the CPD. The most critical partnership requirement for this is the strategic leadership of the Government in steering output level activities towards defining this new development partnership between an EU member state and the UNDP. The Ministry of Foreign Affairs is the UNDP's coordination partner in ensuring the achievement of this overall objective. Further strategic guidance will be required at the level of the political leadership of the country to further steer the programme components towards this objective. Individual components of the Country Programme have further partnership arrangements in place as follows:

Programme Component I: Capacity Development for Romania's International Cooperation and Aid Effectiveness

5.2. UNDP's role in the achievement of this goal will be as a policy partner and facilitator – through its international and regional network of country offices and practice architecture¹ – of national authorities' efforts to externalize Romania's development experience and its human and financial capacities.

5.3. Partnership arrangements will be established with line ministries, local authorities, academia and civil society in output projects that will help leverage Romania's transition experience for the benefit of other countries through capacity development interventions. The civil society stakeholders of Romania's ODA are partner both in project implementation and as resources for sharing Romania's civil society capacity development experience.

5.4. This programme component further requires that UNDP establishes closer programmatic relations among UN and UNDP presences in Romania's ODA-priority countries resulting in regional and sub-regional programmes to support Romania's ODA and non-fiduciary assistance to other developing countries. As programme component results are also for development benefits in other countries, UNDP's partnership with the Government of Romania will also leverage UNDP headquarters units such as the Partnerships Bureau.

Programme Component II: Capacity Development for Romania to contribute to the promotion and protection of global and regional public goods

5.5. The national authority for cross-border programming has been identified as the Ministry of Regional Development and Tourism. The UNDP will work with line ministries and agencies such as the Ministry of Environment and Forests, Ministry of Culture and National Heritage and the Ministry of Economy, Trade and the Business Environment in identifying and managing

¹ The UNDP Practice Architecture serves as a framework for better organizing UNDP to provide consistent policy advisory services, more relevant and substantive policy knowledge, better linking of policy and programming and capacity development.

projects, led by Romania, and this will contribute to protection and promotion of shared public goods such as the environment and shared cultural heritage.

5.6. UNDP will play an important role in design and implementation of projects promoting global public goods such as biodiversity, ensuring however that the relevant national authorities will have full ownership and be the beneficiaries of such cross-border programming instruments. UNDP will also play the role of facilitating other Romania's programmes linkages to other regional and global UN led programmes.

5.7. Emergency preparedness efforts will be in partnership with the General Directorate of Emergency Situations.

5.8. Based on the previous programme period's partnership strategy, UNDP will lead efforts to identify and mobilize GEF resources for the benefit of Romania, under national implementation arrangements, as reflected in the attached results resources framework.

Program Component III: Capacity development for social inclusion, economic and political empowerment of vulnerable groups and for deepening democratic practice

5.9. The main partner of the UNDP for implementing this program component will be the managing authorities for operational programs financed from structural and cohesion funds that provide financing opportunities for national authorities to design and implement, in partnership with UNDP, programmes benefiting vulnerable groups through institutional capacity development interventions. UNDP will work directly with eligible beneficiary institutions and support their project preparation and management capacities by joint project formulation for consideration under applicable operational programmes. The UNDP role is that of facilitator of access. Even when UNDP leads grant application, this role is intended to support government and non-governmental institutions' access to structural and other relevant development funds.

5.10. This CPAP, together with Annual Work Plans, provides the overarching programming instrument referred to in the SBA, for projects supported by UNDP under the overall administration of the following Managing Authorities of the following operational programmes: human resources development, regional development, and administrative capacity development.

5.11 UNDP will play a leading role in design and implementation of projects and in identifying and engaging other UN agency support as necessary for realization of programme objectives. In particular, UNDP will lead efforts with UNFPA, UNICEF and UNESCO, including the UNESCO national committee in joint design of projects for consideration for funding by national resources for development financing.

Cross cutting partnerships

5.12 Civil society organizations will be engaged as partners in both design and implementation stages of projects, in line with the UNDP global strategy and policy for engaging with civil society. UNDP will support civil society organizations in accessing development resources, either by supporting programme design and implementation and will explore programmatic partnerships to address the financing gaps faced by civil society in their access to national resources. Regional capacities as well as partnership with UNDP country offices in the region will also be sought in order to support cross country CSO initiatives in areas of regional interest such as social inclusion for Roma, public sector reform and promotion and protection of regional public goods.

5.13 UNDP will seek to establish partnerships with the private sector, in areas such as, but not limited to, energy efficiency, corporate social responsibility, public-private partnerships and private sector development. UNDP worldwide initiatives such as Global Compact will be re-vitalized in order to support sustainability of UNDP interventions beyond the end of the present programme, by ensuring national ownership from both public and private stakeholders.

5.14 UNDP will act as neutral partner, offering framework for substantive policy discussions, advancing national debate in both areas of emerging importance on the public agenda, and those that require particular expertise and diplomatic engagement. In so doing, UNDP will make use of its extensive experience in facilitating high-level policy roundtables, bringing together high-profile policymakers from the national political arena as well as from other Central European and Western countries. Significant focus will be also given to generating evaluative knowledge on policy and programme impact assessments, to support Romanian Government and its public and private stakeholders in better making use of its funding opportunities in alleviating Romania's structural problems.

Part VI. Programme Management

6.1. The Government of Romania, by virtue of its EU membership, waives UNDP targeted resource allocation for the country (TRAC) as per the UNDP Executive Board decision in this regard (DP03/28). Following the practice of net contributor countries (NCC), UNDP resources of this CPAP are contributed by the host government and other third parties as indicated in the attached Results Resources Framework.

6.2. The programme will be nationally executed under the overall coordination of the Ministry of Foreign Affairs as the Government Coordinating Agency. Government ministries, NGOs, IGOs, UN agencies including UNDP will implement the programme activities. The UNDP and the Government Coordinating Agency will consult for the designation of the Government Co-operating Agency directly responsible for the Government's participation in each UNDP supported AWP. The AWP describe the specific results to be achieved and will form the basic agreement between UNDP and each implementing partner on the use of resources. The reference to "Implementing Partner(s)" shall mean "Executing Agency (ies)" as used in the SBA. The management of the programme as presented in this CPAP is further detailed in Annex 2 (Program Management Framework).

6.3. All funds transfer to an Implementing Partner are based on the Annual Work Plans agreed between the Implementing Partner and UNDP.

6.4. Funds transfer for activities detailed in AWP can be made by UNDP using different modalities to be specified in each AWP as per the implementation modality chosen.

6.5. Direct payment to vendors or third parties for obligations incurred by the Implementing Partners are made on the basis of requests signed by the designated official of the Implementing Partner;

6.6. Direct payments to vendors or third parties for obligations incurred by UN agencies in support of activities agreed with Implementing Partners are made on the basis of inter-agency agreements.

6.7. Direct funds transfer shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. The UNDP shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the authorized amounts.

6.8. Following the completion of any activity, any balance of funds shall be reprogrammed by mutual agreement between the Implementing Partner and UNDP, or refunded.

6.9. Funds transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may depend on the findings of a review of the public financial management capacity in the case of a Government Implementing Partner, and of an assessment of the financial management capacity of the non-UN Implementing Partner. A qualified consultant, such as a public accounting firm, selected by UNDP may conduct such an assessment, in which

the Implementing Partner shall participate. The Implementing Partner may participate in the selection of the consultant.

6.10 Funds transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may be revised in the course of programme implementation based on the findings of programme monitoring, expenditure monitoring and reporting, and audits.

6.11 Resource mobilization efforts will be intensified to support the RRF and ensure sustainability of the programme. Mobilization of other resources in the form of cost sharing, trust funds, or government funds counterpart contributions will be undertaken to secure funding for the programme.

Part VII. Monitoring and Evaluation

7.1 Overall programme success will lie in the assessment of Romania as a successful and committed partner of the international development architecture.

7.2 The Government and UNDP will be responsible for setting up the necessary monitoring and evaluation mechanisms, tools and conducting reviews, in order to ensure continuous monitoring and evaluation of the CPAP, with the view to ensuring efficient utilization of programme resources as well as accountability, transparency and integrity. To this end a Country Programme Board shall be set up as a mechanism for consultation and on the consensus basis making management decisions on programme issues. The Country Programme Board is responsible for oversight of the CPAP implementation, for the integration of individual outcomes within the CPAP as well as their contribution to the overall UN Country Team efforts (UNCF) where applicable. The Country Programme Board is as a minimum composed of the Heads (or their designated representatives) of the Government Coordinating Agency (Ministry of Foreign Affairs) and UNDP Office respectively. The planning and review meetings will dedicate special attention to systematic monitoring of the cost-effectiveness of UNDP's partnership with the Government of Romania and identify areas that require corrective action

7.3 The implementing partners will provide periodic reports on the progress, achievements and results of their projects, outlining the challenges faced in project implementation as well as resource utilization as articulated in the AWP. The reporting will be in accordance with the procedures and harmonized with UN agencies to the extent possible.

7.4 The Government and UNDP will conduct joint periodic planning and review meetings for all programme components, twice a year or more often if necessary, to review CP results and resources framework and prepare for the next year's work plans. Other UN agencies and representatives of donors and civil society may also participate in these meetings. (Reference: Evaluation Plan)

7.5 A more comprehensive programme review jointly conducted by the Government and UNDP will be finalized in 2012 based on an evaluation at the end of 2011. At this juncture, the continued benefit of the UNDP Country Program and the feasibility, including cost effectiveness, of the partnership model between the UNDP and an EU member state will be assessed. Based on this assessment it will be decided either on the possible extension of this partnership model into 2015, taking also into consideration the continued programming of other UN agencies in Romania and the UNDP support to RC system requirements for the period, or on the continued partnership of UNDP with Romania through its regional and global operations.

7.6 The Millennium Development Goals Report (MDGR) that is developed for Romania will serve as the primary means for reporting on UN Cooperation Framework activities, and will be linked to relevant targets established by Romania as an EU member state. The MDG R will be complemented by the Annual Report and Work-plan of the Resident Coordinator. A linkage will be established between the indicators used to measure UN Cooperation Framework results and

contribution of these outputs to the achievement of the MDGs, noting Romania's status as an EU member state and as a donor of development assistance.

7.7 Similarly, the resource mobilization assumptions of the proposed country program, including a dynamic portfolio of social inclusion programming with UN agency partners in Romania utilizing a broad range of funding sources will be reviewed in order to assess the financial feasibility and cost effectiveness of the proposed program continuation beyond 2012.

7.8 Implementing partners agree to cooperate with UNDP for monitoring all activities supported by funds transfer and will facilitate access to relevant financial records and personnel responsible for the administration of funds provided by the UNDP. To that effect, Implementing partners agree to the following:

- a. Periodic on-site reviews and spot checks of their financial records by UNDP or its representatives,
- b. Programmatic monitoring of activities following UNDP's standards and guidance for site visits and field monitoring,
- c. Special or scheduled audits. UNDP, in collaboration with other UN agencies (where so desired: and in consultation with the [coordinating Ministry]) will establish an annual audit plan, giving priority to audits of Implementing Partners with large amounts of funds assistance provided by UNDP, and those whose financial management capacity needs strengthening.

7.9 To facilitate assurance activities, Implementing partners and UNDP may agree to use a programme monitoring and financial control tool allowing data sharing and analysis.

7.10 The Supreme Audit Institution (SAI) may undertake the audits of Government Implementing Partners. If the SAI chooses not to undertake the audits of specific Implementing Partners to the frequency and scope required by UNDP, UNDP will commission the audits to be undertaken by private sector audit services.

7.11 The audits will be commissioned by UNDP and undertaken by private audit services. The Implementing Partner may select such a public accounting firm from a shortlist of accounting firms pre-approved by UNDP.

7.12 Assessments and audits of non-government Implementing Partners will be conducted in accordance with the policies and procedures of UNDP.

Part VIII. Commitments of UNDP

8.1 UNDP will maintain international representation in Bucharest, Romania.

8.2 UNDP's comparative advantage lies in its global network of country offices, its experience in integrated policy development, human resources development, institutional strengthening, and non-governmental and community participation. UNDP assists countries in promoting, designing and implementing activities consistent with its mandate and national sustainable development plans. UNDP also has extensive inter-country programming experience.

8.3 UNDP will use its comparative advantage to support and partner with the Government of Romania. To this end, UNDP will provide experts, access to UNDP's knowledge base and experience, to the Government and its institutions, to fulfill common goals.

8.4 UNDP will ensure coherence between this CPAP, Annual Work Plans, the UN Cooperation Framework results matrix and MDGs, including Monitoring and Evaluation reporting. Through periodic reviews and progress reporting, responsibilities between UNDP, the Government and implementing partners will be emphasized.

8.5 In case of direct funds transfer or reimbursement, UNDP shall notify the Implementing Partner of the amount approved by UNDP and shall disburse funds to the Implementing Partner in 30 days.

8.6 In case of direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner; or to vendors or third parties for obligations incurred by UNDP in support of activities agreed with Implementing Partners, UNDP shall proceed with the payment within 30 days.

8.7 UNDP shall not have any direct liability under the contractual arrangements concluded between the Implementing Partner and a third party vendor.

8.8 Where more than one UN agency provides funds to the same Implementing Partner, programme monitoring, financial monitoring and auditing will be undertaken jointly or coordinated with those UN agencies.

Part IX . Commitments of the Government

9.1 The Government will honor its commitments in accordance with the provisions of the Standard Basic Agreement (SBA) of 23 January 1991. The Government shall apply the provisions of the Convention on the Privileges and Immunities of the United Nations to UNDP's property, funds, and assets and to its officials. In addition the Government will accord to UNDP and its officials and to other persons performing services on behalf of UNDP, the privileges, immunities and facilities as set out in the SBA.

9.2 The Government commits to the funding base of the country program and of UNDP's operational presence in Romania as follows:

9.3 UNDP resources of this CPAP will be met from funds available to the host government and other third parties as indicated in the attached Results Resources Framework and will be secured through individual project based agreements with relevant authorities.

9.4 The Ministry of Foreign Affairs of Romania on behalf of the Government will meet the operational costs for the UNDP office in Bucharest with an annual contribution to the UNDP of the lump sum amount mutually agreed between the Parties (approximate equivalent in RON of 410,000 USD per annum).

9.5 The details for transfer of funds are as follows:

i. The schedule of payments and UNDP bank account details:

BANK NAME : BRD Groupe Societe Generale Romania

USD: RO 49 BRDE450SV03582264500

RON: RO 02 BRDE450SV03466804500

The schedule: 2010: the approximate equivalent in RON of 410,000 USD ; 2011: the approximate equivalent in RON of 410,000 USD ;2012: the approximate equivalent in RON of 410,000 USD

ii. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP, applying the United Nations operational rate of exchange in effect on the date of the receipt of payment(s).

iii. All financial accounts and statements shall be expressed in United States dollars.

iv. If the payments referred above are not received in accordance with the payment schedule, the assistance to be provided to the CPAP under this Agreement may be reduced, suspended or terminated by UNDP.

v. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavors to obtain the additional funds required.

- vi. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures
- vii. The contributions referred to in section 9.4 above shall not be subject to further GMS or other cost recovery provisions.
- viii. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the contributions referred to in section 9.3 above shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services.
- ix. Furthermore, as long as they are unequivocally linked to the specific project(s), all direct costs of implementation, including the costs of executing entity or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly. The aggregate of the amounts budgeted for the CPAP, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the CPAP under this agreement.
- x. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.
- xi. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP

9.6 Mechanisms for participatory planning, monitoring and evaluation on the progress of the country programme involving civil society and other development partners will be implemented. The Government is also committed to organize periodic programme review, planning and joint strategy meetings and where appropriate, coordination of sectoral and thematic development partners groups to facilitate the participation of donors, civil society, private sector and UN agencies. In addition, the Government will facilitate periodic monitoring visits by UNDP staff and/or designated officials for the purpose of monitoring, meeting beneficiaries, assessing the progress and evaluating the impact of the use of programme resources. The Government will make available to UNDP in a timely manner any information about policy and legislative changes occurring during the implementation of the CPAP that might have an impact in co-operation.

9.7 A standard Fund Authorization and Certificate of Expenditures (FACE) report, reflecting the activity lines of the Annual Work Plan (AWP), will be used by Implementing Partners to request the release of funds, or to secure the agreement that UNDP will reimburse or directly pay for planned expenditure. The Implementing Partners will use the FACE to report on the utilization of funds received. The Implementing Partner shall identify the designated official(s) authorized to provide the account details, request and certify the use of funds. The FACE will be certified by the designated official(s) of the Implementing Partner.

9.8 Funds transferred to Implementing Partners should be spent for the purpose of activities as agreed in the AWP's only.

9.9 Funds received by the Government and national NGO Implementing Partners shall be used in accordance with established national² regulations, policies and procedures consistent with international standards, in particular ensuring that funds are expended for activities as agreed in the AWP's, and ensuring that reports on the full utilization of all received funds are submitted to UNDP within six months after receipt of the funds. Where any of the national regulations, policies and procedures is not consistent with international standards, the UN agency regulations, policies and procedures will apply including EU standards and regulations.

² As an EU member state, Romania has transposed EU law into national legislation. As such it is understood that national regulations, policies and procedures in Romania are consistent with international standards.

9.10 In the case of international NGO and IGO Implementing Partners funds received shall be used in accordance with international standards in particular ensuring that funds is expended for activities as agreed in the AWP, and ensuring that reports on the full utilization of all received funds are submitted to UNDP within six months after receipt of the funds.

9.11 To facilitate scheduled and special audits, each Implementing Partner receiving funds from UNDP will provide UNDP or its representative with timely access to:

- all financial records which establish the transactional record of the funds transfer provided by UNDP;
- All relevant documentation and personnel associated with the functioning of the Implementing Partner's internal control structure through which the funds transfer have passed.

9.12 The findings of each audit will be reported to the Implementing Partner and UNDP. Each Implementing Partner will furthermore

- Receive and review the audit report issued by the auditors.
- Provide a timely statement of the acceptance or rejection of any audit recommendation to the UNDP that provided funds (and where the SAI has been identified to conduct the audits, add: and to the SAI).
- Undertake timely actions to address the accepted audit recommendations.
- Report on the actions taken to implement accepted recommendations to the UN agencies (and where the SAI has been identified to conduct the audits, add: and to the SAI), on a quarterly basis (or as locally agreed).

Part X. Other Provisions

This CPAP enters into force on the date signed by both Parties and in the case the CPAP is signed on different dates, then it shall enter into force on the date of the later signature. This CPAP shall be applicable until 31 December 2012 and supersedes any previously signed CPAP between the Government of Romania and UNDP and may be modified by mutual consent of both parties on the recommendations of the joint strategy meeting.

IN WITNESS THEREOF the undersigned, being duly authorized, have signed this Country Programme Action Plan on this day, December 2nd, 2010, in Bucharest, Romania.

For the Government of Romania

For the United Nations Development Programme
Romania

Signature: 

Signature: 

Name: Doru Costea

Name: Yesim M. Oruc Kaya

Title: State Secretary,
Ministry of Foreign Affairs

Title: Resident Representative a.i.

Annex 1: CPAP RESULTS AND RESOURCES FRAMEWORK

By end 2012, line ministries have enhanced capacity to implement innovative programs for social inclusion, economic and political empowerment of vulnerable groups and for deepening democratic practice with special emphasis on initiatives with the potential to be adapted to the needs of Romanian ODA priority countries (UN Cooperation Framework for Romania, 2010-2012 Outcome 2)

UNDP programme component	Expected Outcomes	Expected Outputs	Annualized Output targets and indicators	Implementing Partners	Indicative Resources by programme component (per year, US\$)			Total
					2010	2011	2012	
Key result area 1.1 Promoting inclusive growth, gender equality and MDG achievement and 2.1. Fostering inclusive participation	<p>NATIONAL LEVEL</p> <p>1. Capacity development for social inclusion, economic and political empowerment of vulnerable groups and for deepening democratic practice with special emphasis on initiatives with the potential to be adapted to the needs of Romanian ODA priority countries</p> <p>Indicator: Absorption rate of structural funds, focused on funds allocated for social inclusion of vulnerable groups and advancement of women</p> <p>Baseline: Romania net contributor status</p> <p>Target: 80% annual absorption</p>	<p>Social Economy Model for Romania – Project ID 33490</p>	<p>Output Indicator: Number of UNDP led policy instruments for social inclusion, e.g. social economy models for Romania, for rural poor, for Roma.</p> <p>Baseline: 0</p> <p>Target: 2</p>	<p>Sectoral Operational Programme Human Resources Development; University Alexandru Ioan Cuza, Iasi; Academy of Economic Studies, Bucharest; Social Alternatives Association.</p>	1,209,501	1,184,796	1,270,158	3,664,455
		<p>Social Economy Model for Roma – Project ID 34922</p>	<p>Output Indicator: Number of UNDP supported Roma inclusion initiatives that can be shared with participating countries of the Decade for Roma Inclusion</p> <p>Baseline: 0</p> <p>Target: 2, at least one dedicated to gender equality</p>	<p>Sectoral Operational Programme Human Resources Development;</p>	713,483	430,985	427,550	1,572,018
		<p>Social inclusion and reintegration on the labor market of former prisoners – Project ID 33488</p>	<p>Output Indicator: (i) detainees trained in green jobs (ii) improved abilities of penitentiary officers in conflict resolutions techniques</p> <p>Baseline: 0</p> <p>Target: (i) Center in Danube Delta for green jobs trainings for detainees and preparation for social reintegration. (ii) at least 120 detainees trained in green job and 800 officers trained in conflict resolution methods;</p>	<p>Sectoral Operational Programme Human Resources Development; National Penitentiary Administration, Ministry of Justice</p>	2,074,701	1,454,682	1,454,682	4,984,065
	<p>Strengthening the Capacity of Romanian Companies to Develop Social Partnerships (CSR) – Project ID 41722</p>	<p>Output Indicator: Number of Romanian companies assisted in adopting and implementing the CSR principles at corporate level to the benefit of the communities at large.</p> <p>Baseline: 0</p> <p>Target: 300 representatives of corporate and NGO sector</p>	<p>Sectoral Operational Programme Human Resources Development</p>	603,869	657,119		1,260,988	

		Work-Life Balance for Gender Equality – Project ID 34298	Output indicator: 1 guideline for employers on the implementation of work-life balance strategies for Gender equality; Baseline: N/A Target:	Sectoral Operational Programme Human Resources Development, FILIA Center for Curriculum Development and Gender Studies, Center for Partnership and Equality;	1,074,137	1,210,812	1,125,383	3,410,332
		Establishment and Development of Business Incubators	Output Indicator: Number of incubated businesses assisted by the programme through the 3 old and 5 new business structures established throughout Romania. Baseline: 60 business structures Target: 160 business structures, %30 owned by women	National Agency for the Implementation of Programmes and Projects for SMEs	892,037	TBD	TBD	892,037
				TOTAL	6,567,728	4,938,394	4,277,773	15,783,892

By end 2012, institutional, legal and financial systems in place for Romania to implement a “new model of development cooperation” in line with applicable OECD-DAC standards and responding to the evolution of the global aid architecture, in pursuit of active implementation by Romania of the Paris Aid Effectiveness Declaration (UN Cooperation Framework for Romania, 2010-2012 Outcome 1)

Key result area 1.2. Fostering inclusive globalization and 4.1. Mainstreaming environment and energy	REGIONAL LEVEL 2. Enhanced national capacity for promotion and protection of local, regional and global public goods such as biodiversity, climate stability, culture and practice of tolerance and peace, and development knowledge.	Strengthened capacities of environmental stakeholders (government authorities, civil society, private sector) in biodiversity and climate stability as local and global public goods in the Black Sea basin region.	Output indicators: (i) Regional hub for adaptation to climate and global changes established Baseline: N/A Target: Partnership agreements (2010); Institutional arrangements (2011); Global program linkages (2012)	“Institute of Research in Geology and Geo-ecology”; Ministry of Education, Research, Youth and Sport; UNESCO	35,000	35,000	-	70,000
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<p>Indicator: Romania's strategic leadership of cross-border and regional cooperation Baseline: EU Policy Target: Romania contributes funds and human resources for regional programs and cooperation frameworks.</p>	<p>Strengthening national institutional capacities for rehabilitation of urban and rural cultural heritage of regional and global significance for community and tourism development</p>	<p>Output indicator 1: National inter-ministerial and inter-governmental cooperation platform and budget pooling process for cultural diversity heritage established. Baseline: ad hoc systems in place Target: one nationwide programme with pooled budget established.</p> <p>Output indicator 2: Implementation of Romania's National Strategy on the "Alliance of Civilization" Baseline: N/A Target: two UN Country Team mediated actions</p>	<p>Ministry of Culture and National Heritage, Ministry of Regional Development and Tourism, local authorities, UNESCO, UN Country Team</p>	100,000	100,000	100,000	100,000	300,000
<p>Improving the Financial Sustainability of the Carpathian System of Protected Areas (PA)</p>	<p>Strengthening national capacity to implement the international environmental conventions</p>	<p>Output indicators: (i) Improved legislative framework for Carpathian PAs financing; (ii) Improved PAs administrations' capacities for sustainable PAs financing in the Carpathians Baseline: N/A Target: 5 PAs piloting new PAs business models for improved conservation financing and exporting knowledge in the region</p> <p>Output indicators: (i) Improved legislative framework for synergic implementation of the international environmental conventions (ii) Improved national capacities of the Ministry of Environment and Forests and Ministry of Agriculture and Rural Development to comply with the Rio Conventions' provisions. Baseline: Rio Conventions focal points established Target: At least one inter-institutional coordination mechanisms for synergic implementation of Rio Conventions</p>	<p>Ministry of Environment and Forests</p> <p>Ministry of Environment and Forests Ministry of Agriculture and Rural Development</p>	260,000	392,350	176,500	828,850 GEF	
<p>Romania's energy efficiency and more effective utilities governance promoted through local interventions for climate change mitigation purposes: Energy Efficiency in low income communities</p>	<p>Output indicators: (i) Improved policies to address energy efficiency in low income communities and "fuel poverty"; (ii) Improved energy efficiency in buildings in low income communities through appropriate instruments and interventions that addresses fuel poverty Baseline: "fuel poverty" concept not addressed Target: At least 70 auditors trained (i) at least 40 social buildings retrofitted (ii) one handbook for local authorities on how to integrate the concept of fuel poverty.</p>	<p>Romanian Energy Regulatory Authority (ANRE); Deputy Prime Minister's office; Ministry of Regional Development and Tourism Ministry of Economy Commerce and Business Environment</p>	<p>Romanian Energy Regulatory Authority (ANRE); Deputy Prime Minister's office; Ministry of Regional Development and Tourism Ministry of Economy Commerce and Business Environment</p>	1,000,000	1,000,000	1,000,000	3,000,000 GEF	
			TOTAL	1,575,000	1,727,350	1,276,500	4,578.85	

By end 2012, institutional, legal and financial systems in place for Romania to implement a "new model of development cooperation" (UN Cooperation Framework for Romania, 2010-2012 Outcome 1)

Key result area	INTERNATIONAL LEVEL	Output indicator: Official development assistance targeted at promotion of international development goals, Millennium Development Goals and advancement of women. Baseline: N/A Target: Number of projects supported by Romanian official development assistance that respond to global development goals, percentage of those advancing women or gender equality objectives Output indicator: Development knowledge-hub established. Baseline: N/A Target: Institutional, legal and budgetary commitments by the Government of Romania..	Ministry of Foreign Affairs (relevant departments); Line Ministries and Agencies participating in financial and non-fiduciary assistance; national think tank and training organizations; FOND (Romanian NGDO platform); and other civil society organizations.	Non core UN and UNDP resource tbd ; Government and third party contributions tbd.	Non core UN and UNDP resource tbd ; Government and third party contributions tbd.	Non core UN and UNDP resource tbd ; Government and third party contributions tbd.
1.2. Fostering inclusive globalization	<p>1.2 National institutional capacity for development knowledge management and sharing increased for the benefit of global development efforts through the establishment of a "new model of cooperation" between a European Union Member State and the United Nations/UNDP whose governance and institutional structure will be determined through this programming period.</p> <p>Indicator: ODA as percentage of GNI Baseline: Approximately EURO 5 million per year (2007, 2008) Target: 0.3 % of GNI as per applicable EU guidelines</p>					
TOTAL						
				8,142,728	6,665,744	5,554,273
TOTAL OUTCOMES 1, 2, 3 in US\$				20,362,74		

Annex 2: UNDP Country Program 2010-2012 Romania Program Management Framework

		PARTIES				
		Government Coordination Agency	UNDP Country Office	Government Cooperation Agency	Implementing Partner	Responsible Party
Programme Board	<ul style="list-style-type: none"> •Mechanism for consultation and management decisions based on consensus on country programme issues. •Responsible for the oversight of the Country Programme Action Plan (CPAP) •Responsible for the integration of individual outcomes within UNDP, as well as their contribution to the overall UN Country Team efforts as documented in the UNDAF results matrix. 	<p>Programme Level</p> <ul style="list-style-type: none"> •Owner of CP results (Execution) •Development, approval and oversight of CPAP •Provision of enabling environment and conditions for achieving CPAP outcomes/outputs <p>Project Level</p> <ul style="list-style-type: none"> •Designation of Government Cooperating Agency •Selection of Implementing Partner •Oversight of project outputs 	<p>Programme Level</p> <ul style="list-style-type: none"> •Development, approval and management of CPAP •Effective/efficient use of resources <p>Project Level</p> <ul style="list-style-type: none"> •Appraise and Approve projects •Oversight of project performance 	<p>Programme Level</p> <ul style="list-style-type: none"> •Advice to Outcome Board as appropriate <p>Project Level</p> <ul style="list-style-type: none"> •Government's participation in project through Government contribution and enabling environment for project •Ownership of project outputs 	<p>Programme Level</p> <ul style="list-style-type: none"> •Advice to Outcome Board as appropriate <p>Project Level</p> <ul style="list-style-type: none"> •Agree to implement project in accordance with project document (however, NGO can't sign project document) •Delivery of outputs •Efficient/ effective use of project resources •Supervision of responsible parties 	<p>Programme Level</p> <ul style="list-style-type: none"> •N/A <p>Project Level</p> <ul style="list-style-type: none"> •Delivery of goods and services •Ensure accountability as specified in contract
Outcome Board	<ul style="list-style-type: none"> •Responsible for monitoring the realization of the expected outcome(s) under its programme component by assisting the Programme Manager in managing interdependency of different projects contributing to the realization of the outcome(s) 	<p>Co-Chair of Programme Board</p> <ul style="list-style-type: none"> •Member of Outcome Board as appropriate 	<p>Co-chair of Programme Board</p> <ul style="list-style-type: none"> •Programme Manager 	<p>Member of Outcome Board</p> <ul style="list-style-type: none"> •Member of Outcome Board as appropriate 	<p>Member of Outcome Board</p> <ul style="list-style-type: none"> •Member of Outcome Board as appropriate 	
Project Board	<ul style="list-style-type: none"> •Responsible for making by consensus management decisions for a project when guidance is required by the Project Manager 	<p>Senior Beneficiary in Project Board</p> <ul style="list-style-type: none"> •Senior Beneficiary in Project Board as appropriate 	<p>Senior Supplier role and Assurance role in Project Board</p> <ul style="list-style-type: none"> •Senior Supplier role and Assurance role in Project Board 	<p>Executive role and/or Senior Beneficiary role in Project Board</p> <ul style="list-style-type: none"> •Executive role and/or Senior Beneficiary role in Project Board •Project Support role 	<p>Project Board (Senior Supplier)</p> <ul style="list-style-type: none"> •Project Manager 	<p>Senior Supplier role in Project Board</p> <ul style="list-style-type: none"> •Senior Supplier role in Project Board as appropriate •Project Team role

MANAGEMENT ARRANGEMENTS