Romania

Functional Review

CENTER OF GOVERNMENT

Final Report

October 15, 2010

The World Bank
Europe and Central Asia Region
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AGWP</td>
<td>Annual Government Work Plan</td>
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<tr>
<td>CoG</td>
<td>Center of Government</td>
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<tr>
<td>DEA</td>
<td>Department for European Affairs</td>
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<tr>
<td>DPR</td>
<td>Department for Parliamentary Relations</td>
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<tr>
<td>EC</td>
<td>European Commission</td>
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<tr>
<td>FRL</td>
<td>Fiscal Responsibility Law</td>
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<td>GoR</td>
<td>Government of Romania</td>
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<td>GSG</td>
<td>General Secretariat of Government</td>
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<td>MoJ</td>
<td>Ministry of Justice</td>
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<td>MoPF</td>
<td>Ministry of Public Finance</td>
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<td>MTEF</td>
<td>Medium-Term Expenditure Framework</td>
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<td>NRP</td>
<td>National Reform Program</td>
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<td>PAR</td>
<td>Public Administration Reform</td>
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<td>PD</td>
<td>Public Policy Document</td>
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<td>PFM</td>
<td>Public Finance Management</td>
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<td>PPD</td>
<td>Public Policy Directorate</td>
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<td>PPU</td>
<td>Public Policy Unit</td>
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Acknowledgements

This report for the Center of Government (CoG) is a part of the broader strategic and functional review of Romania’s central public administration being undertaken by the World Bank on behalf of the European Community and Government of Romania (GoR) as per their June 2009 Memorandum of Understanding.

The report was prepared by a core team comprised of Bernard Myers (World Bank Task Team Leader for the Functional Review Project), Gord Evans and Anne Evans (international consultants on Center of Government), Victor Giosan and Dragos Dinu (Romanian consultants on public administration reform). Project management and administrative support were provided by Raluca Banioti, Ana Otilia Nutu, and Andreea Florescu. Peer reviewers for the report included Gary Reid and Nick Manning, Lead Public Sector Specialists from the World Bank and independent consultants Michal Ben-Gera and Sorin Ionita.

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TABLE OF CONTENTS

EXECUTIVE SUMMARY .......................................................................................................................... V

THE CASE FOR REFORM .......................................................................................................................... V

PRIORITY REFORMS AND RECOMMENDATIONS ................................................................................. VI

DESIGN AND IMPLEMENTATION OF THE REFORMS ........................................................................... XII

1. IMPROVING ROMANIA’S POLICY PERFORMANCE ....................................................................... 1

1.2 HOW CAN GOVERNMENTS IMPROVE POLICY PERFORMANCE? .................................................. 2

1.3 WHY PUBLIC POLICY REFORM MATTERS IN ROMANIA ............................................................ 4

2. POLICY MANAGEMENT IN ROMANIA ............................................................................................... 7

2.1 ASSESSING POLICY MANAGEMENT IN ROMANIA ....................................................................... 7

2.2 CRITICAL ISSUES AFFECTING POLICY MANAGEMENT ............................................................... 8

2.2.1 Linkages Between Policy and Financial Planning ................................................................. 9

2.2.2 Quality of Policy Formulation ............................................................................................. 11

2.2.3 Prevalence of Ad Hoc Decision Making .............................................................................. 13

2.2.4 Availability of Performance Information .............................................................................. 15

3. RECOMMENDATIONS ......................................................................................................................... 25

3.1 INTEGRATE POLICY AND FINANCIAL PLANNING ................................................................. 26

3.2 IMPROVE POLICY FORMULATION ......................................................................................... 28

3.3 REDUCE RELIANCE ON AD HOC DECISION MAKING ............................................................ 30

3.4 EXPAND PERFORMANCE INFORMATION ................................................................................. 32

3.5 STREAMLINE ORGANIZATIONAL STRUCTURES ........................................................................... 33

3.6 DESIGN AND IMPLEMENTATION OF THE REFORMS ................................................................. 37

4. IMPLEMENTATION CHALLENGES AND RISKS ........................................................................... 39

4.1 POLITICAL BUY-IN .................................................................................................................... 39

4.2 DECISION-MAKING DYNAMICS ............................................................................................. 39

4.3 GSG AND MoPF COLLABORATION .......................................................................................... 39

4.4 LINE MINISTRY RESISTANCE ................................................................................................ 40

4.5 IMPLEMENTATION OVERLOAD ................................................................................................ 40

4.6 REFORM FATIGUE ..................................................................................................................... 40

4.7 INSUFFICIENT POLICY CAPACITY .......................................................................................... 40

4.8 CHANGE OF GOVERNMENT ....................................................................................................... 40

ANNEX A: PROPOSED POLICY AND LEGAL REVIEW PROCESS ......................................................... 42

ANNEX B: INDICATIVE INTEGRATED POLICY & FINANCIAL PLANNING CALENDAR ....................... 52

ANNEX C: DATA COLLECTION ............................................................................................................ 54
EXECUTIVE SUMMARY

The medium-term objective of this review of the Center of Government (CoG) is to improve the Government’s policy performance by strengthening Romania’s policy process and policy institutions. However, this should be carried out in concert with efforts to improve public financial management and the quality of public spending. Although the review’s recommendations may appear technical, their political implications can be profound. Better policies depend not only on process improvement and capacity building, but on demand for such policies from decision makers.

The Case for Reform

Despite efforts to implement a robust policy process in Romania, reforms are urgently needed to improve the quality of public policy and public finance. Over the past decade, laws have been passed, institutions established, and significant investments made in implementing a modern policy process supported by capable policy institutions. However, despite these changes, policy planning remains ad hoc and decision makers are faced with a system that does not produce the quality of analysis that they need to make informed policy decisions. The consequences for Romania are the persistence of severe and chronic problems with the quality of public policy and public expenditure. This report strongly asserts that Romania cannot afford to defer public policy reform.

These observations are not intended as a criticism of the current government. The problems of poor quality policy and weak implementation span many governments and are largely inherited.

The current economic and financial climate demands a strong and sustained commitment to both public policy and public finance reform. In Romania, the framework within which this will occur is the Fiscal Strategy, mandated by the new Fiscal Responsibility Law (FRL). Successful implementation will ultimately depend on the FRL being viewed by the Government of Romania (GoR) as the primary vehicle for these two inter-related processes.

The European Commission and international financial institutions require a coordinated fiscal and policy response. European authorities will increasingly be scrutinizing the finances and related policy choices of member states to ensure compliance with prescribed fiscal parameters. With the Memorandum of Understanding with the EU, the GoR is not just being asked to meet a particular set of fiscal targets, but to implement far-reaching structural reforms.

Policy considerations are equally if not more relevant during financially challenging times. All governments face periods when far-reaching policy and financial decisions must be taken within tight time frames in response to unanticipated events and fiscal pressures. Decision-making systems that are capable of balancing near-term (meeting fiscal targets) and medium-term (creating the conditions for sustainable growth) objectives will achieve better policy performance.
Business investment is positively influenced by a predictable policy, legal and financial environment. When making a decision as to whether and where to invest, businesses place particular emphasis on predictable rules and effective enforcement of those rules. If government decisions consistently appear to be ad hoc and enforcement uneven, businesses will tend to withhold investment or seek a more reliable location.

Evidence of Successful Implementation

Successful and sustainable implementation of policy management reforms will require strong commitment from the current government and all-party support. Unless the GoR exerts leadership and invests the necessary political capital in resolving these long-standing, systemic problems, the situation will worsen. Experience with similar reforms in other countries indicates that substantial progress can be made in a relatively short time when political attention is focused squarely on this problem. To ensure sustainability, support for these reforms should be secured from all political parties.

Ten critical success factors will signal effective implementation:

1. The Prime Minister will take personal leadership of the reform;
2. The Prime Minister’s and Ministers’ decision-making time will be safeguarded for strategic rather than legal or administrative issues;
3. Public policy and finance reform will be identified as a top government priority;
4. Ad-hoc decision making will be phased out;
5. A decision-making forum will be established that permits the Prime Minister and Minister of Finance to form a common front on major spending proposals;
6. Sound policy formulation will precede and guide legal drafting;
7. The quality of policy and fiscal analysis provided to decision makers will be significantly improved;
8. The General Secretariat of Government (GSG) will be empowered by the Prime Minister to enforce the rules and assure the quality of ministry proposals;
9. The central institutions responsible for the coordination of public policy and public finance will work collaboratively to provide coherent, high quality support to the GoR; and
10. All-party support for these proposals will be vigorously pursued.

Priority Reforms and Recommendations

The report applies two assessment frameworks (World Bank; OECD/SIGMA) to examine Romania’s current policy management practices. In both cases, the assessments conclude that, although the legal framework and institutions are largely in place to support effective
policy management, execution in Romania remains poor. Based on this assessment, the report recommends a package of reforms organized under five strategic directions.

1. **Integrate Policy and Financial Planning**

Medium-term priorities need to be set to ensure that resources are appropriately allocated. At the priority-setting stage, no formal process currently exists to ensure that policy priorities guide resource allocation decisions or that structured deliberations occur concerning the policy rationale for determining budget ceilings. It had been envisaged that Romania’s strategic planning system would introduce a priority-setting methodology, but the critical process step (establishing a priority-setting exercise at the outset of the budget process) and the decision-making forum (the Strategic Planning Council chaired by the Prime Minister) were never implemented. Although strategic documents with multi-year planning horizons exist (e.g., Europe 2020), there is no formal methodology that enables these strategies to be planned and budgeted on a medium-term basis. Although the FRL requires a medium-term planning horizon, this has not yet been institutionalized at the line ministry level.

<table>
<thead>
<tr>
<th>Reform Options</th>
<th>Timeframe</th>
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<tr>
<td>1. Adopt an Integrated Policy and Financial Planning Calendar for 2011 that appropriates sequences the main steps and decision points in the Fiscal Strategy, strategic planning and budget processes. The calendar would also incorporate relevant actions and deadlines related to European affairs and the 2011 Commission Work Plan.</td>
<td>2011</td>
</tr>
<tr>
<td>2. Reinvigorate the Government’s strategic planning process and align it with the Fiscal Strategy and annual budget process, including: a priority-setting process at the beginning of the planning cycle; a streamlined strategic planning process for ministries that would be timed to feed into the development of the Medium-Term Expenditure Framework (MTEF), which forms part of the Fiscal Strategy; and, an annual report for each ministry that indicates achieved versus planned results for each ministry’s strategic plan.</td>
<td>2011 and medium term</td>
</tr>
<tr>
<td>3. Establish an appropriate decision-making body to oversee both the policy and financial planning processes. This body would emphasize the leadership roles of both the Prime Minister and Minister of Public Finance and would be structured to encourage their substantive engagement on key policy and financial issues.</td>
<td>2011</td>
</tr>
<tr>
<td>4. Mandate this decision-making body to oversee the main steps in the policy planning and fiscal strategy processes.</td>
<td>2011</td>
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<tr>
<td>5. Redesign and implement, for both the public policy document and the substantiation note, a multi-year fiscal impact assessment tool to cover all normative acts with significant (explicit criteria will be set) multi-year fiscal impacts.</td>
<td>Medium Term</td>
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<tr>
<td>6. Initiate discussions with Parliamentary authorities re the FRL on mechanisms that would constrain the passage of laws generated by members of Parliament that impose significant financial costs on the Government.</td>
<td>Medium Term</td>
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</table>
2. Improve Policy Formulation

Decision makers require higher-quality policy documents and institutional support to assist them in their decision making. In law, Romania has established a modern policy process and a network of policy institutions at both central and line ministry levels. However, the policy process has never gained traction and continues to erode. Ad hoc committees continue to do the work envisaged for the permanent network of 11 inter-ministerial policy committees. The quality of substantiation notes, which accompany draft normative acts and government decisions, remains poor and they are not perceived as vital decision-making documents. As a result, the preferred instrument for making policy decisions continues to be the draft normative act. Normative acts do not present the pros and cons of various options, nor do they assess socio-economic impacts, establish costs, or provide an effective, efficient implementation plan. These problems are further complicated because Romania operates different EU and national policy processes.

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<th>Reform Options</th>
<th>Timeframe</th>
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<tr>
<td>7. Overhaul the procedures and timelines for preparing, consulting on,</td>
<td>Medium term</td>
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<tr>
<td>reviewing and approving policy and legal documents with a view to streamlining</td>
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<td>the process, avoiding unnecessary delays, and focusing political attention</td>
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<td>on priority matters.</td>
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<td>8. Revitalize the approach to preparing, reviewing and approving public</td>
<td>Phase in beginning in 2011</td>
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<td>policy documents.</td>
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<tr>
<td>9. Revise standards and guidance to cover the preparation and review of</td>
<td>Medium term</td>
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<tr>
<td>medium- to longer-term strategic documents by 2013.</td>
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<tr>
<td>10. Propose measures to improve the quality of substantiation notes (these</td>
<td>Phase in beginning in 2011</td>
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<td>would be the most frequently prepared and reviewed policy document).</td>
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<tr>
<td>11. Strengthen GSG’s quality assurance role by: empowering GSG to return</td>
<td>Phase in beginning in 2011</td>
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<td>to ministries documents that do not meet approved quality standards; and,</td>
<td></td>
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<td>requiring written comments from GSG officials on all public policy</td>
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<td>documents and expanded substantiation notes.</td>
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<tr>
<td>12. Adopt measures to enhance the political review and approval of public</td>
<td>Medium term</td>
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<tr>
<td>policy documents and expanded substantiation notes, with government</td>
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<td>decisions explicitly approving, modifying or rejecting the recommended</td>
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<td>policy directions contained in the documents.</td>
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<tr>
<td>13. GSG and the Department for European Affairs (DEA) to develop proposals</td>
<td>Medium term</td>
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<td>on harmonizing the policy development and review methodologies, wherever</td>
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<td>feasible, for EU and national policies; in most instances, the policy</td>
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<td>process that applies to national policy issues should be applied to the</td>
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<td>preparation of proposed government positions on EU policies.</td>
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<td>14. Increase the time available for policy deliberations by significantly</td>
<td>Medium term</td>
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<td>reducing the volume of administrative items reviewed at the government</td>
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<td>meeting (e.g., by delegation, legislative change, automatic approval</td>
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<td>without discussion). The practice of drafting articles in individual legal</td>
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<td>acts that specify the need for a government decision should be discontinued.</td>
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15. Develop proposals to reintroduce a broader, but more streamlined, inter-ministerial committee system to coincide with the full implementation of public policy documents by 2013.  

Medium term

16. Prepare related legal amendments and detailed operating procedures/guidance on preparing public policy documents and substantiation notes (early versions already exist).  

Phase in beginning in 2011

3. Reduce Reliance on Ad Hoc Decision Making

Less reliance should be placed on ad-hoc decision making that currently persists in Romania. Advance planning, process discipline, and quality assurance by Romania’s central institutions are not deemed essential at the political review stage. In most European governments, work plans that set priorities and establish deadlines are developed at least six months in advance for policy and legal proposals that will require government approval. In Romania, the only similar planning tool is a list of proposed legislation supporting the Government Program, but this has little bearing on the laws approved by the GoR (only 31% of approved laws in 2009 were from this program). The weekly preparatory meeting, chaired by GSG and held two days in advance of the government meeting, has the potential to serve as an effective coordinating mechanism, but the policy substance of proposed items is rarely discussed. Moreover, only a small proportion of government decisions (15% in February 2010) are announced at this meeting.

Use of both the supplementary agenda and emergency ordinances needs to be reduced. Although efforts to curb use of the supplementary agenda at the weekly government meeting are being taken, a high volume of ministry proposals continue to be submitted in this manner. An unusual feature of the Romanian system is the frequent use of “emergency” ordinances to override approved parliamentary laws or to implement new laws awaiting parliamentary approval. Progress is being achieved in reducing their volume in 2009, but it is widely perceived that emergency ordinances remain a routine rather than exceptional instrument.

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<tr>
<td>17. GSG to coordinate preparation of an Annual Government Work Plan (AGWP). The new process will require ministries to identify in advance all significant policy, financial and legal documents to be submitted for Government approval over the coming year.</td>
<td>Phase in beginning in 2011</td>
</tr>
<tr>
<td>18. Institute measures to reduce the government meeting workload, increase the time available for policy deliberations, and ensure that all items presented at the meeting have been fully reviewed by central institutions in advance.</td>
<td>Medium term</td>
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<td>19. Streamline and enhance the transparency process by conducting it in two phases: phase one would be coordinated by the ministry earlier in the policy development process; and phase two would be coordinated by GSG following the announcement of the item at the preparatory meeting and in parallel with the internal endorsement process. Each phase would require a minimum of 15 days.</td>
<td>Medium term</td>
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4. Expand Performance Information

Monitoring, evaluation and results reporting require improvement. A cornerstone of accountability is the transparent monitoring and reporting of achieved versus planned results. Such monitoring does not currently take place in Romania, except for legislation that supports the Government Program, government-assigned tasks, or when required by the EU. Although a rigorous monitoring system was envisaged in 2005, there is no current mechanism (e.g., quarterly progress report on priorities; annual reports on ministry strategic plans) that systematically presents performance information or regularly supports government decision-making.

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<td>20. Introduce a monitoring and quarterly reporting system for the AGWP; an annual report on progress achieved in implementing the AGWP would be published.</td>
<td>2011</td>
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<td>21. Use the preparatory meeting as the primary forum for coordinating the monitoring process and recommending measures to the Prime Minister and government meeting to improve compliance and pre-empt problems.</td>
<td>Medium term</td>
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<tr>
<td>22. Produce and publicly release annual reports that indicate achieved versus planned results for each ministry’s strategic plan.</td>
<td>Medium term</td>
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<td>23. GSG to work with MoPF to develop a performance monitoring approach for the Government’s strategic priorities.</td>
<td>Medium term</td>
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<tr>
<td>24. Establish a set of milestones and performance indicators and targets to track progress in implementing these reforms. These measures should be combined with those related to implementing public finance reform.</td>
<td>Medium term</td>
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5. Streamline Organizational Structures

Restructuring should be considered in four areas: the Public Policy Department (PPD) of GSG; the Public Policy Units (PPUs) in line ministries; the GSG; and the agencies reporting to the CoG. If the proposed restructuring is to achieve its objectives, the Government must first commit fully to implementing public policy reform.

The effectiveness of PPD’s policy management function needs to be enhanced. PPD is the primary policy institution at the center of government and is mandated to coordinate strategic planning, policy coordination, and monitoring and evaluation across government. However, at present the majority of its workload derives from special assignments and project support, with less than half its time allocated directly to policy management. Without an operational policy process, full delivery of PPD’s functions or systematic coordination between PPD and the Prime Minister’s political advisors is not feasible. Looking ahead, the potential benefits of appointing a senior political official to spearhead government-wide implementation of policy management reform should be considered.

The role of PPUs needs to be strengthened. Within line ministries, PPUs were established as a counterpart to PPD. As the strategic planning and policy formulation processes remain largely unimplemented, PPUs are often undervalued by senior ministry management and do
not perform a meaningful policy role. Moreover, there is no consistency in mandates or reporting relationships of PPU across government.

**The GSG as a whole needs to be restructured.** The number of direct reports (18) to the General Secretary of Government is extremely high, and the diversity of its functions is too broad. A more consolidated senior management structure should be considered.

**Within the center of government, the number of agencies reporting directly to the Prime Minister or the GSG is excessive and needs to be reduced.** In many instances, these agencies duplicate ministry functions and undercut ministerial authority. The related management responsibilities can unnecessarily consume the Prime Minister’s time.

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<td>25. Significantly strengthen the GoR’s policy management function within GSG, supplemented by formal linkages with the Prime Minister’s Advisors.</td>
<td>Phase in beginning in 2011</td>
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<td>26. Restructure PPD to reflect its policy and planning mandate. A potential structure could include six core divisions: four policy sectors (economic; infrastructure; social; justice &amp; security), one central planning and monitoring unit (strategic planning) and one project management unit, which would coordinate and service the various time-limited projects.</td>
<td>Phase in beginning in 2011</td>
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<td>27. Appoint a full-time Prime Minister’s Advisor for public policy reform.</td>
<td>2011</td>
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<td>28. Develop protocols to regulate the working relationship between the Prime Minister’s Advisors and GSG, in particular with PPD in the context of the strategic planning and policy formulation process, and define their respective roles and responsibilities.</td>
<td>Phase in beginning in 2011</td>
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<tr>
<td>29. Initiate an organizational review to determine how best to reduce the General Secretary of Government’s span of control to a more manageable number (from 18 to 5-6 direct reports).</td>
<td>2011</td>
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<tr>
<td>30. As part of this review, determine the degree to which the current directorates and departments within GSG support its core policy and legal coordination mandate and, if they do not, whether they should be moved elsewhere.</td>
<td>decide in 2011; implement in medium term</td>
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<td>31. Identify an appropriate organizational option for raising the profile of the policy management function and ensuring that GSG is positioned to implement the reform process across government. Options include: a. appoint a State Secretary reporting to the General Secretary of Government to lead the reform; PPD would report to the State Secretary; b. the General Secretary could assume this role; in this case, GSG would need to be significantly streamlined so that additional duties do not detract from reform leadership responsibilities; or c. locate the reform outside GSG, reporting to a Prime Minister’s Advisor, with a view to transferring implementation responsibilities back to GSG following completion and approval of the reform design; selected members of PPD would work as</td>
<td>2011</td>
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1 In regulation, some agencies will report to an Advisor of the Prime Minister, although this position has not yet been filled.
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<td><strong>part of the project team.</strong></td>
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<td>32. Develop or revise protocols to regulate the working relationship between GSG and other agencies within the working apparatus of the government; in particular the DEA and the Department for Parliamentary Relations (DPR).</td>
<td><em>Phase in beginning in 2011</em></td>
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<td>33. Conduct a functional review, for completion by February 28, 2011, of the agencies outside the working apparatus of the government that report to the center with a view to eliminating or transferring to line ministry supervision all non-core functions.</td>
<td><em>2011</em></td>
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<tr>
<td>34. Realign, over a 2-3 year period, the reporting relationships of the core coordination units within ministries, i.e., Public Policy, Economics/Budget, Legal, and European Affairs Units, so that all report directly or indirectly to the General Secretary, rather than to a State Secretary or the Prime Minister.</td>
<td><em>Medium term</em></td>
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<tr>
<td>35. Determine the best option for restructuring each ministry’s core policy, financial, legal and European affairs coordination functions following approval by the Government of the specific package of public policy and finance reforms.</td>
<td><em>Medium term</em></td>
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<td>36. Depending on the option chosen, consider integrating PPUs either with the Economics/Budget Unit or the European Affairs Unit. In advance of restructuring, establish a ministry working group chaired jointly by the heads of the PPU and Economics/Budget Units that is mandated to prepare the ministry’s core policy and financial planning documents, and coordinate related inputs from all other parts of the ministry, including the European Affairs and Legal Units.</td>
<td><em>2011</em></td>
</tr>
<tr>
<td>37. As a strengthened policy process is phased in, consolidate the responsibility for policy coordination and quality control of ministry public policy documents and substantiation notes in PPUs, which will be mandated to review and assure the quality of all ministry policy documents and substantiation notes prior to review and approval by the Minister.</td>
<td><em>Medium term</em></td>
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**Design and Implementation of the Reforms**

The centrality of political buy-in and leadership is emphasized throughout this report and must be reflected in the reform design. If the Prime Minister is not perceived as leading and committed to the reforms, they will fail. Moreover, a sense of urgency in introducing the reforms must be conveyed. It is recommended that the reforms be endorsed and launched by the government no later than October 2010.

As a first step towards implementation, the government should establish an Integrated Planning Working Group, chaired by an Advisor to the Prime Minister. The immediate task of the working group will be to design the 2011 policy and financial planning process to support the preparation of the Fiscal Strategy and ministry strategic plans. The working group’s proposals should be completed and approved by December 2010. At this point, an extension to the working group’s mandate should be considered to oversee implementation and further develop the GoR’s public policy and public finance reforms.
In going forward, the point must not be lost that reform does not end with the approval of the related normative acts, but when the system is fully operational throughout government and is truly influencing the way in which Romania’s policy and financial decisions are made.
1. IMPROVING ROMANIA’S POLICY PERFORMANCE

1. The medium-term objective of this review of the CoG is to improve the Government’s policy performance by strengthening Romania’s policy process and policy institutions. However, this should be carried out in concert with efforts to improve public financial management and the quality of public spending. Accordingly, the review must be considered together with the public finance functional review. The objective of the review will be accomplished by identifying short- and medium-term measures to strengthen central capacity to deliver high quality policy management\(^2\) to the Prime Minister and government and effectively coordinate policy with other central institutions and line ministries.

Four critical success factors will signal effective implementation:

1. Decision makers will focus increasingly on strategic rather than legal or administrative issues;
2. Sound policy formulation will precede and guide legal drafting;
3. GSG will be empowered by the Prime Minister to enforce the rules and assure the quality of ministry proposals; and
4. The central institutions responsible for public policy and public finance management will work collaboratively to provide coherent, high quality support to the GoR.

2. The CoG review seeks to engage Romania’s decision makers in these deliberations and, ultimately, in a concerted effort to improve Romania’s policy performance.

1.1 What is Policy Performance?

3. At its heart, policy performance represents the concrete results and impacts produced and/or directly influenced by government actions and interventions. These impacts range from very broad (e.g., economic growth, quality of life) to very specific (e.g., business registration costs, university graduation rates). Policy performance also includes the perceptions of the general public towards government (i.e., whether citizens feel their government is performing well or not).

4. Policy performance is inextricably linked to financial performance. Across Europe, the aftermath of the global economic crisis underscores the adverse consequences for governments and nations when policy decisions become disconnected from financial

\(^2\) Policy management can be defined as the institutional arrangements that surround the structures, processes, and dynamics of government decision-making. N. Manning & G. Evans, Helping Governments Keep Their Promises (World Bank; Washington DC, 2003).
decisions. Future policy performance will require that the financial imperative of restoring fiscal discipline be matched by smart policy choices.

5. **Policy performance depends on successful implementation.** High quality health care, smart business regulation, and modern transportation networks cannot be guaranteed by a government decision, parliamentary law, or investment project approval; rather, they depend on sound processes and capable organizations moving methodically from problem identification to policy and budget formulation to legal drafting to on-the-ground implementation, reinforced over time by a sustained commitment to service quality that is realized through effective monitoring and feedback mechanisms.

**Box 1.1 – Policy and Government Promises**

Policy is arguably the primary output of government...All too often, well-intentioned governments find their well-publicized policy commitments to be unaffordable, unrealistic, stalled or superseded by the crisis of the day, or swamped by a multitude of unanticipated ministry priorities. Ultimately, they are forced to break their promises. The consequences of government promise-breaking extend beyond public cynicism and include economic losses and failures in government service delivery. *Helping Governments Keep Their Promises: World Bank, 2003.*

### 1.2 How can Governments Improve Policy Performance?

6. The strategic and functional review will strive to ensure that Romania’s public administration is organized and managed to fulfill its critical role in improving government policy and financial performance. The CoG review will contribute a critical component of this reform: strengthening policy management and the quality of support provided to Romania’s decision makers. The core attributes of a well-performing system are set out in a World Bank methodology (Figure 1.1), which identifies best practices at four stages of the policy process, from priority setting to implementation. These stages alternate between the decision-making role of the government and the delivery role of line ministries. Breakdowns at any stage can adversely affect policy performance.

**Figure 1.1 – Best Practices at Four Stages of the Policy Process**
7. At the first stage (Box 1.2), the government establishes policy priorities within a sound fiscal framework and an annual work plan to ensure timely delivery. Ideally, the policy and fiscal planning processes will be integrated and the corresponding political decisions taken together. The General Secretariat and the Ministry of Public Finance play important roles in supporting decision makers and coordinating the production of related documents. Intensive political involvement, in particular by the Prime Minister and Minister of Public Finance, is critical at this stage.

**Box 1.2 – Key Benchmarks for Stage One**

- political direction provided from outset of the planning process
- clear statement of policy priorities
- decision-making forum exists where the Prime Minister and Minister of Public Finance can review major policy and spending proposals
- policy priorities developed alongside macro framework and fiscal strategy
- medium- to longer-term planning horizon
- integrated policy and financial planning calendar
- budget ceilings directly influenced by priority-setting process
- annual government work plan highlights policy priorities
- effective coordinating role played by central institutions
- line ministers do not routinely bypass Minister of Public Finance by appealing to the Prime Minister

8. The second stage (Box 1.3) involves the preparation of detailed plans, policies and budgets by line ministries. It is generally preferable to adopt a balanced top-down/bottom-up process, where ministries reflect government priorities and respect budget ceilings, but are given the flexibility to identify their own priorities and determine the best approach to implementation. Clear procedures for the development and review of policy and financial proposals need to be in place. The minister and senior management need to be closely involved in overseeing the process and reviewing key products.

**Box 1.3 – Key Benchmarks for Stage Two**

- medium-term ministry plans and budgets reflect government policy priorities and respect budget ceilings
- ministry plans propose reallocations of funding from low- to high-priority areas
- ministry strategic plans include realistic, achievable performance measures and targets
- in-depth political review of major policy proposals occurs prior to government meeting
- policy proposals/related laws are accompanied by a good quality, multi-year fiscal impact assessment
- ministry develops policy options/proposals before drafting major laws
- policy impacts (e.g., economic, social) of policy proposals identified
- meaningful consultation with external stakeholders and other ministries
- minister and senior management directly oversee the process and review key products

9. At the third stage (Box 1.4), the government must ensure that line ministries are provided with the means to implement approved plans, policies and budgets. This requires that budgets are actually provided, decision-making delays avoided, and reporting burdens
minimized. Thus, the government needs to anticipate veto points, for example by Parliament, and negotiate the necessary accommodations so as to avoid delays. In addition, the central institutions must be capable of constructively challenging ministry proposals and assuring their quality. Accountability between the government and ministries must be considered a two-way street.

Box 1.4 – Key Benchmarks for Stage Three

- annual government work plan establishes realistic deadlines and volume of proposed legislation
- Ministry of Public Finance provides approved ministry budget funds in a timely manner
- monitoring requirements do not place an excessive reporting burden on line ministries
- excessive administrative requirements do not overload the system or produce significant delays
- monitoring reports are presented to and discussed at the political level
- the government will take remedial measures if targets are not being met
- General Secretariat and Ministry of Public Finance are able to challenge ministry proposals and play an effective quality assurance role
- the government has effective mechanisms for consulting with Parliament

10. The fourth stage (Box 1.5) covers ministry implementation of approved plans, policies and budgets. Here, attention focuses on the way in which ministries oversee implementation. In many governments, ministries focus on the drafting of high volumes of policies and laws at the expense of implementation. The resulting implementation gap is evidenced by the high number of partially implemented or unimplemented laws and poor service quality. A cornerstone of effective implementation is transparency; i.e., the publishing of achieved versus planned results.

Box 1.5 – Key Benchmarks for Stage Four

- line ministries operate extensive internal monitoring and evaluation systems to support operational planning
- annual reports indicating achieved vs. expected results for ministry plans are published
- performance measures are expressed as results (outputs/outcomes), not activities
- the production of outputs can be tied to expenditures
- managerial performance assessments consider the quality of implementation

1.3 Why Public Policy Reform Matters in Romania

11. Like many European countries, Romania currently faces severe fiscal constraints. Although a modest improvement is anticipated in 2011, accumulated deficits and wage pressures will restrict latitude to pursue new policy initiatives through 2012. Given this scenario, the government’s decision-making focus will understandably remain on fiscal measures. The question therefore arises: is this the right time to be discussing how to improve policy management? Shouldn’t such deliberations await the conclusion of the financial crisis? In fact, this report strongly contends that policy considerations are equally if not more relevant during difficult times and that Romania cannot afford to defer public policy reform.

12. The current economic and financial climate demands a strong and sustained commitment to public policy and public finance reform. Countries across Europe are being
forced to rein in public spending and chart a new path towards fiscal sustainability. In Romania, the framework within which this will occur is the Fiscal Strategy, mandated by the new Fiscal Responsibility Law (FRL). The government’s first Fiscal Strategy under this law has just been approved. Successful implementation will depend on the FRL being viewed by Government as the primary vehicle for both public expenditure and public policy planning. If these two inter-related processes are not brought together, the law’s objectives will not be met.

13. The European Commission and International Financial Institutions require a coordinated fiscal and policy response. European authorities will increasingly be scrutinizing the finances and related policy choices of member states to ensure compliance with prescribed fiscal parameters. The “European semester,” through which the European Council will jointly review and provide advice on each member state’s budgetary and structural policies, will be introduced in 2011. Particular attention will be directed to new member states seeking to join the eurozone. In fact, the Memorandum of Understanding between the European Community and Romania sets out five policy objectives that must accompany the financial and monetary objectives (Box 1.6). The GoR is not just being asked to meet a particular set of fiscal targets, but to implement far-reaching structural reforms.

Box 1.6 – Structural Reform Commitments

1. improve the efficiency and effectiveness of the public administration
2. improve the business environment
3. sound use and improved absorption of EU funds
4. tackle undeclared work
5. enhance the quality of public spending

EU-GoR Memorandum of Understanding; June 2009

14. Policy considerations are equally if not more relevant during financially challenging times. All governments face periods when far-reaching policy and financial decisions must be taken within tight time frames in response to unanticipated events. Decision-making systems that routinely set priorities, link policy and financial planning, and identify the policy and financial impacts of proposed policy changes will be better equipped to identify and analyze feasible options at short notice. Moreover, such systems will be more capable of balancing near-term (meeting a fiscal target) and medium-term (creating the conditions for sustainable growth) objectives. To meet Romania’s commitments to structural reform (Box 1.6), the GoR will need to focus not only on fiscal discipline, but on the quality of public policy and public expenditures.

15. Governments rarely accept that their entire political focus must be confined to cost containment. Like any government, the GoR has a program to improve delivery of its programs and services. Fiscal constraint does not require that these objectives be abandoned; rather that they be supported by policy trade-offs that shift funding from lower to higher priorities or innovative policies that enhance performance within existing budgets.

16. Business investment is positively influenced by a predictable policy, legal and financial environment. When making a decision as to whether and where to invest,
businesses place particular emphasis on predictable rules and effective enforcement of those rules. If government decisions consistently appear ad hoc and enforcement uneven, businesses will tend to withhold investment or seek a more predictable location. Romania’s poor ranking in the 2010-11 Global Competitiveness Report underscores the importance of addressing this significant obstacle.

The challenge to be addressed in the remainder of this report is to develop a practical plan to improve policy performance by strengthening Romania’s policy process and policy institutions, in concert with efforts to improve public financial management. The full support and engagement of Romania’s political level will be required to achieve this goal. Better policies depend not only on process improvement and capacity building, but on demand for such policies from decision makers. Experience with similar reforms in other countries indicates that substantial progress can be made in a relatively short time when political attention is focused squarely on this problem (Box 1.7).

**Box 1.7– Examples of Public Policy Reforms**

In 2000, Lithuania’s Prime Minister decided to overhaul the way in which policy and financial decisions were made. Over a two-year period, the entire system was redesigned to ensure that political direction was obtained at all key points, that results were carefully measured, and that policy and financial decisions were linked. A 2003 study of the results achieved indicated significant improvements in (i) ministry compliance with government deadlines, (ii) adherence to budget ceilings, (iii) the proportion of government meetings devoted to priority issues, and (iv) the percentage of the government’s legislative program that was delivered. In 2006, the World Bank ranked Lithuania’s strategic planning and policy coordination systems as the best among recent EU accession countries and higher than the EU average.

In late 2005, Albania’s government approved a proposal to integrate six separate planning systems (national strategy, government program, EU integration, state budget, public investment, external assistance). By 2007, a new National Strategy for Development and Integration had been approved, a priority-setting methodology introduced, a decision-making body chaired by the PM established to oversee the process, and public investment integrated with the budget process, with budget ceilings respected by line ministries.

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5 Romania was ranked 137th of 139 countries under the indicator “transparency of government policy-making” which gauges the ease with which businesses can obtain information about changes in government policies and regulations affecting their business activities. The report is produced by the World Economic Forum.
2. POLICY MANAGEMENT IN ROMANIA

18. Efforts to improve Romania’s public policy process have been underway for nearly a decade. Laws have been passed, institutions established, and significant investments made in implementing a modern policy process supported by capable policy institutions. Nonetheless, policy planning remains ad hoc and decision makers are faced with a system that does not produce the quality of analysis they need to make informed policy decisions. A significant gap between what is written in law and what occurs in practice persists.

19. These observations are not intended as a criticism of Romania’s current government or of GSG. The slow pace of Romania’s public policy and public finance reforms is a longstanding problem spanning many governments and has largely been inherited. Moreover, the financial crisis affecting all European countries has placed enormous demands on the GoR. Although remedial measures such as the FRL have recently been adopted, a longer-term solution to improve the quality of public policy and public expenditure is urgently required.

2.1 Assessing Policy Management in Romania

20. As an initial step, this chapter reviews Romania’s current policy management practices and institutions against criteria established in two assessment frameworks: the first is the World Bank methodology mentioned in the previous chapter; the second is an OECD/SIGMA framework that examines the degree to which the core policy coordination functions at the CoG are provided in Romania.⁶

21. The assessment (summarized in Table 2.1) draws two fundamental conclusions:

- although the legal framework and institutions are largely in place to support effective policy management, execution is poor; and

- the policy process operates in isolation from the budget process.

Table 2.1: Delivery of Policy Management Functions & Process⁷

<table>
<thead>
<tr>
<th>Coordinating Function</th>
<th>Romanian Institution</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. strategic planning &amp; annual work planning</td>
<td>Public Policy Department (GSG)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Department of Parliamentary Relations</td>
<td></td>
</tr>
</tbody>
</table>


⁷ The 1-5 rankings were assigned based on the observations and conclusions of the consultants, drawing on extensive interviews, data collection survey results, and document review.
2. policy document review: quality assurance; inter-ministry mediation
   Public Policy Department (GSG) 1
3. monitoring government performance
   Public Policy Department (GSG)
   Department of Parliamentary Relations 1
4. horizontal policies/priorities
   Public Policy Department (GSG) 2
5. preparation of government sessions
   Meeting Preparation Department (GSG)

6. legal conformity of draft laws
   Legal Department (GSG) ✓
7. communication with media and public
   Press Spokesperson of the Government ✓
8. coordinating with other branches of the state
   Department of Parliamentary Relations ✓

### KEY STAGES OF POLICY PROCESS (WORLD BANK)

<table>
<thead>
<tr>
<th>Best Practice</th>
<th>Romanian Practice</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Government establishes affordable, realistic policy commitments within sound macro/ fiscal framework</td>
<td>No formal priority-setting process linked to the macro/fiscal framework occurs. Strategic planning is disconnected from the budget process. Multi-year policy documents are approved but not formally linked to resource allocations. The new Fiscal Strategy process has increased the potential for improved fiscal discipline.</td>
<td>2</td>
</tr>
<tr>
<td>2. Ministry prepares detailed, good quality policies and budgets, within budget ceiling and meets deadlines set out in government work plan</td>
<td>Ministry budget ceilings are not directly influenced by policy priorities. Ministries do not respect ceilings when developing budget requests. A formal policy document preparation process exists in law, but is not followed. Deadlines are only selectively monitored.</td>
<td>1</td>
</tr>
<tr>
<td>3. Government ensures adequate budgets, removes procedural obstacles, and effectively anticipates veto points</td>
<td>Until recently, laws have been commonly approved without adequate funding, but this is improving. The annual legislative plan is not comprehensive or effectively prioritized. Monitoring by central institutions does not ensure key decisions are made in a timely manner except for EU-related programs.</td>
<td>2</td>
</tr>
<tr>
<td>4. Ministry implements commitments, effectively and efficiently, meeting performance and service quality targets</td>
<td>No formal performance measurement system exists. The cost of program outputs is not established. Results are reported in budget requests but not linked to targets. Accountability for results is weak.</td>
<td>1</td>
</tr>
</tbody>
</table>

1-5 scale rates implementation level: 5=very high; 4=high; 3=medium; 2=partial; 1=minimal/not at all

✓ indicates that the function was not assessed in detail, but is regulated/delivered at an adequate level, noting that the Legal Department is currently understaffed.

### 2.2 Critical Issues Affecting Policy Management

22. Before recommending how policy management reform might be implemented, five critical issues affecting the quality of policy management in Romania should be reviewed:

- linkages between policy and financial planning;
• quality of policy deliberations;
• prevalence of ad hoc decision making;
• availability of performance information;
• organization of the policy function and CoG.

2.2.1 Linkages Between Policy and Financial Planning

23. The primacy of policy as a driver of resource allocation decisions has been widely acknowledged. In fact, the FRL obligates a joint consideration of policy and financing. Numerous recommendations in the April 2010 IMF report underscore how policy and financial planning need to be harmonized. However, policy and financial planning continue to operate mostly in isolation.

24. At the priority-setting stage, no formal process exists to ensure that policy priorities guide resource allocation decisions or that structured deliberations occur concerning the policy rationale for determining budget ceilings. High-level strategies, such as the National Reform Program (NRP), are approved and monitored, but do not directly influence the establishment of priorities or budgets. Essentially, the responsibility for identifying priorities and allocating the necessary resources from within approved budgets is left to the discretion of line ministries.

25. It had been envisaged that Romania’s strategic planning system would introduce a priority-setting methodology, but the critical process step (establishing a priority-setting exercise at the outset of the budget process) and the decision-making forum (the Strategic Planning Council chaired by the Prime Minister) were never implemented. Essentially, the back-end of the process (ministry strategic plans) was never complemented by the front end (priority-setting mechanism, political decision-making body). Without this front end, strategic planning lacks political relevance and, consequently, the basis for sustainability. This year’s difficulties in developing the Fiscal Strategy suggest that this problem persists and needs to be addressed in time for the 2011 planning process (for 2012-14). Moreover, the strategic planning time frames do not align with the time lines for preparation of the Fiscal Strategy set out in the FRL. An integrated planning calendar based around the FRL deadlines would eliminate these inconsistencies.

26. The lack of a medium-term planning horizon further challenges the integration of policy and financial planning. Although strategic documents with multi-year planning horizons exist (e.g., Europe 2020), there is no formal methodology that enables these

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8 See Public Expenditure Management Handbook (World Bank; Washington DC, 1998). “Resource allocation and use based on strategic priorities” is cited as the second level of the three-level model presented as the basis for best practice in budget formulation.

9 International Monetary Fund; Further Strengthening General Government Fiscal Discipline (Washington DC, April 2010).
strategies to be planned and budgeted on a medium-term basis. The strategic planning system, which was designed for this purpose, has not gained traction and the outer years (years 2 and 3) of ministry budget requests developed through the Medium-Term Expenditure Framework (MTEF) and budget process have been determined incrementally. Implementation of the FRL requires a medium-term perspective and strict observance of policy-fiscal linkages. If the law is to be implemented successfully, incremental, year-by-year approaches to budgeting must give way to a more strategic, multi-year approach.

27. At the policy development and implementation stages, further problems arise. An initial assessment of Romania’s public investment process by the World Bank illustrated how investment projects are routinely approved and started without taking into account the cumulative, multi-year fiscal impact of prior approvals. Each year, an ever-increasing volume of projects far outstrips the annual public investment budget. To keep within budget, numerous existing projects must be slowed or postponed.

28. A similar phenomenon occurs with normative legal acts. As long as the proposing ministry is deemed to have sufficient funding to cover its estimate of the fiscal impact, it can submit a draft act for government and, if required, parliamentary approval. In practice, the multi-year implementation costs are not rigorously determined, and so increasing numbers of approved normative acts cannot find sufficient funding within the ministry’s annual budget to support implementation. The resulting “unfunded mandates” create chronic fiscal pressures and adversely affect the quality of implementation. The Ministry of Public Finance asserted that this situation is improving with the passage of the FRL and the 2011-13 Fiscal Strategy.

29. Laws initiated and approved by Parliament can contain significant fiscal implications for the Government. Although the Government provides an opinion, there are no legal restrictions that effectively constrain the ability of Parliament to impose such costs (e.g., requiring an offsetting reduction). Again, the FRL will require such a response in future.

30. Beyond process issues, an appropriate decision-making forum will be required. The Coordinating Group chaired by the Minister of Public Finance introduced a potential source of policy priorities and decisions, but its decision-making mandate (working on a consensus basis), broad membership (12 Ministers, 4 agency heads, General Secretary of Government), and form (open to media, external invitees) were not conducive to making trade-offs or tough policy choices.

31. Consequently, the IMF has recommended a more empowered, focused body led by the Minister of Public Finance. Another option would be to revitalize the Strategic Planning Committee, chaired by the Prime Minister; the Minister of Public Finance could be appointed as Vice Chair. The rationale would be that such a body would enable the Prime Minister and Minister of Public Finance to form a united front against line ministry expenditure demands and prevent direct approaches to the Prime Minister prior to the government meeting. A third

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option would be to deal with key issues at government retreats, which would allow more time for in-depth discussion and consensus building. Whatever option is chosen, the primary criterion should be its likelihood to produce a sound, sustainable fiscal strategy based on clearly articulated government priorities.

2.2.2 Quality of Policy Formulation

32. Regulations approved in 2005 established a modern policy process. Public policy documents were to precede and inform legal drafts, while substantiation notes (identifying policy and fiscal impacts of proposed normative acts) were to accompany proposed laws submitted to the government meeting. At the center, PPD was mandated to oversee this process and perform a gate-keeping function to assure the quality of ministry public policy proposals. Within line ministries, PPUs were established and trained to coordinate internal policy formulation. At the political level, inter-ministerial councils were established to provide a forum for in-depth policy review.

33. However, the new policy formulation system never gained traction and continues to erode. The number of public policy documents produced has declined from 36 in 2006 to 4 in 2009 (Figure 2.1). None of the 2009 documents led to a government decision. The quality of substantiation notes is widely acknowledged as poor and they are not perceived as vital decision-making documents. PPD rarely provides written comments (in February 2010, comments were provided on 5 of 88 items) and no mechanism exists through which PPD routinely briefs the Prime Minister and/or his advisors on policy issues related to government meeting agenda items.

34. The preferred instrument for making policy decisions remains the normative act. Such an approach reduces the information available to decision makers. Normative acts do not present the pros and cons of various options, assess socio-economic impacts, establish costs, or provide an effective, efficient implementation plan. At the weekly government meeting, lengthy legal text does not lend itself to quick review and meaningful policy deliberations by Ministers. Admittedly, most laws are circulated for comment to other ministries prior to review at the government meeting. However, it can be difficult to identify policy issues from legal text.

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11 Government Decision 775/2005 set out the regulations for formulating and monitoring public policy and Government Decision 1361/2006 established the regulations for preparing substantiation notes.
35. The permanent network of 11 inter-ministerial committees with policy mandates was never operationalized. Other potential forums for policy decisions, such as special government meetings or government retreats, have not been regularly utilized. The regular coalition meeting also plays a role in determining policy, but this forum focuses more on political negotiations than public policy and is not directly supported by the public administration. Ad hoc committees are still the norm if an issue must be examined outside the government meeting.

36. The Department of European Affairs (DEA) coordinates the development of policy positions on documents submitted for opinion by the European Commission (EC). The EC believes that weaknesses in the Romanian public policy process adversely affect the quality of GoR responses. An assessment of 25 recent EU documents found that a more informed response from the GoR could have been provided in 21 cases (84%) (Figure 2.2). Major areas for improvement included: strengthening inter-ministerial cooperation (6 cases), developing impact assessments/studies in advance of the response (4 cases), engaging external institutions in the analysis (3 cases), and enhancing internal administrative capacity (3 cases). All of these factors would be addressed through the implementation of a more robust policy process and related institutional and staff capacity building.

37. More fundamentally, Romania is effectively operating two policy processes, one for EC-related policy issues coordinated by the DEA, and one for national policy issues managed through GSG. These processes operate largely in isolation and potential synergies are generally overlooked.

38. The quality of policy deliberations can also be affected by the extremely high volume of Government Decisions (1,721 in 2008; 1,635 in 2009). An analysis of these decisions for the first 9 months of 2009 reveals that over 64% addressed administrative issues (Figure 2.3) and that 41% of these originated from the Ministry for Administration and the Interior. Although many of these items presumably are ratified with minimal or no discussion at the

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12 The system of and procedures for inter-ministerial committees were established in Law 750/2005.
government meeting, this would still displace some of the time that could be devoted to discussing more important issues.

39. Finally, the length of time required for policy development can be onerous. Under current procedures, the preparation of a public policy document followed by a supporting law could require many months before completing the various transparency, endorsement and consultation requirements. The inevitability of a protracted process encourages ministries to pursue ad hoc approaches.

2.2.3 Prevalence of Ad Hoc Decision Making

40. During economic crises, the decision-making environment shifts from one of reasonable predictability to one of perpetual change where the unforeseen becomes the norm. When relative stability returns, it is often difficult for decision makers to return to a more systematic, structured process. Evidence suggests that ad hoc decision making persists in Romania. A number of practices (e.g., absence of a monitored Annual Government Work Plan (AGWP); lack of lead time to review ministry proposals; extensive use of the supplementary agenda at government meetings; high volume of emergency ordinances) imply a system where advance planning, process discipline, and quality assurance by central institutions are not deemed essential at the political review stage. The imposition of policy discipline goes hand-in-hand with ensuring fiscal discipline.

41. In most European governments, work plans are developed that set out, at least six months in advance, the proposals that will be submitted by line ministries for government review and approval. In fact, the European Commission produces an annual Commission Work Plan which translates the President’s political guidelines into concrete public policy and legal measures. These work programs are generally designed to ensure that the government’s policy priorities are advanced. Deadlines are set and monitored throughout the year by the General Secretariat.

42. In Romania, although a list of proposed legislation based on the Government Program is compiled by the Department for Parliamentary Relations (DPR), the document is not used effectively as a planning tool for all of the key decisions that the Government must make in the course of a year. An analysis of the 2009 legislative program revealed that there is little connection between this planning document and what actually occurs. Although the number of proposed laws (240) approximated the actual number of draft laws approved by the Government (231), only 72 of these (31%) were listed on the legislative program (Figure 2.4: Percentage of 2009 laws from Legislative Program).
2.4). However, it should be acknowledged that the DPR plan provides a basis on which to build a more comprehensive AGWP.

43. The preparatory meeting, which occurs 2 days in advance of the government meeting, provides a venue where ministries can announce and review upcoming initiatives. Although the preparatory meeting certainly has value in terms of inter-ministry coordination, its role in reviewing substantive policy issues or providing advance notice of government items appears minimal. Of 33 government decisions taken during February 2010, only 5 (15%) had been previously announced at the preparatory meeting (Figure 2.5).

44. Although efforts to curb use of the supplementary agenda at the weekly government meeting are being taken, a high volume of ministry proposals continues to be submitted in this manner. In February 2010, the supplementary agenda contributed 28 of 300 (9.3%) agenda items versus 23 of 255 (9.0%) agenda items in February 2009.

45. An unusual feature of the Romanian system is the frequent use of “emergency” ordinances to override approved parliamentary laws or to implement new laws without waiting for Parliamentary approval. The Constitution stipulates that the Government can only adopt emergency ordinances in exceptional cases, the regulation of which cannot be postponed. However, it is widely perceived that emergency ordinances have become a routine rather than exceptional instrument. In fact, in 2009, the number of emergency ordinances approved by the Senate (229) was more than double the number of approved “projects of law” (94). This raises issues of governance (the Executive is fulfilling a function that is usually reserved for the Legislature) and workload (the Senate’s total legislative volume, combining projects of law and ordinances, is over 400, which is an extremely high workload for any parliament and suggests that ways to reduce the volume of laws requiring parliamentary approval should be explored).

46. Efforts are being made to limit the use of emergency ordinances, but the volumes remain high: 228 emergency ordinances were approved in 2008, 111 in 2009 (Figure 2.6), and 30 in the first quarter of 2010. Common rationales provided for emergency ordinances included meeting EU deadlines or addressing fiscal constraints. The problem is further exacerbated by the level of detail included in legislation; for example, if a legislative

13 The Senate’s 2009 total for approved emergency ordinances is much closer to the government’s total for 2008 rather than 2009 because of the lag between government and parliamentary approvals. Also note that the term “projects of law” is used in Romania to describe laws requiring parliamentary approval.
amendment is required to establish a unit within an administrative body, the affected ministry will often prefer to do this through an emergency ordinance.

47. Further problems arise when Parliament rejects an emergency ordinance, because the Government will generally have already begun implementation. This has occurred 11.5% of the time over the last two years.

48. The need for emergency ordinances could be significantly reduced if a well-managed planning and monitoring system, careful preparation of the Fiscal Strategy, and realistic fiscal impact assessment of draft laws were implemented effectively.

2.2.4 Availability of Performance Information

49. A cornerstone of accountability is the transparent monitoring and reporting of achieved versus planned results. At its most basic, monitoring and reporting relates to compliance with instructions and deadlines and is intended to instil a sense of discipline into the policy process; i.e., when the government sets a deadline, it should be met. It is important that the center does not over-control or micro-manage ministry operations, but many governments conduct basic compliance monitoring for meeting deadlines associated with the annual government work plan or tasks assigned by the government.

50. Although compliance monitoring does occur in Romania, it is practiced selectively and does not provide an early warning system for decision makers. The DPR prepares monthly reports on the implementation of legislation supporting the Government Program and the Prime Minister’s Office monitors implementation of key Government Program commitments, but these reports cover only a small proportion of the legislation and other normative acts reviewed by the Government during the year. Tasks assigned by the Government are monitored, but deadlines are frequently missed; for example, only 9 of 18 tasks (50%) assigned by the Government to line ministries during February 2010 met their deadline.

51. Although a rigorous monitoring system was envisaged in the 2005 government decision on public policy and in the strategic planning methodology, systematic performance monitoring does not occur. The proposed strategic planning and monitoring and evaluation manuals remain unimplemented. Ministries prepare elaborate results reports as part of their budget requests, but without reference to any particular policies, plans or targets. Monitoring and evaluation occurs where it is mandated by the EC; for example, a lengthy annual progress report was prepared to gauge progress towards achieving the National Reform Program. However, the EU and national planning systems are not effectively integrated.
52. How quickly these gaps can be addressed will depend on a number of related process improvements.

   i. The anticipated results of policies, and ways to measure those results, must be considered during the policy development phase.

   ii. A credible monitoring system must be implemented where performance indicators are carefully selected and regularly reported.

   iii. Both these steps need to be reinforced through public finance reform where planned and actual expenditures are linked to tangible outputs.

   iv. An overall accountability framework needs to be developed where evidence-based performance influences the evaluation of organizations and, where appropriate, individuals.¹⁴

53. The related process improvements in these systems will require many years before reaching full implementation, and so sequencing and practicality will be vital in determining the optimum approach for Romania over the near and medium term.

2.2.5 Organization of the Public Policy Function and Center of Government

54. The following organizational structures were reviewed: public policy function at the CoG; public policy function in line ministries; organization of GSG; and agencies reporting to the CoG.

Public Policy Function at the CoG

55. The primary policy institution at the CoG is the Public Policy Directorate (PPD). Formed in 2003, PPD is mandated to coordinate strategic planning, policy formulation, and monitoring and evaluation across government. PPD is reasonably well staffed (36 positions) when compared with similar organizations elsewhere in the region. However, it is not structured like conventional policy directorates, which are normally organized by policy area (e.g., economic policy, social policy) with sector analysts (e.g., for agriculture, health). Currently, PPD’s only two formal units are a Program Implementation Unit and a Policy Implementation Unit with most staff reporting straight to the Director.¹⁵ At present, the majority of PPD’s workload derives from special assignments and project support, with less than half of its time allocated directly to policy management.¹⁶ Additional demands for

¹⁴ The use of organizational performance indicators and results to assess individual performance can be quite complex and contentious, especially if performance pay is involved.

¹⁵ A Compartment for European-financed projects exists currently as a sub-unit, but the continuation of this structure is under consideration. This unit was moved to PPD when the Chancellery was dissolved.

¹⁶ This problem is further complicated by the salary arrangements where top-ups are paid to PPD staff for their project work. This will create a significant disincentive for the establishment of full-time policy analyst positions.
project support are likely in the future, given the time frames of the EU-supported project pipeline. If PPD is to deliver its full mandate, this will not only require that the department be restructured, but that the government commit to implementing public policy reform. PPD will also have to assess which of its staff have the capacity to deliver effectively the foreseen roles and responsibilities for strategic planning, policy coordination and quality assurance, and monitoring and evaluation.

56. The Directorate for Government Strategies (24 positions) also has a policy mandate and previously contracted outside firms/consultants to conduct research and surveys. However, this activity has been curtailed at present because of fiscal constraints. 17

57. Other GSG organizations (Legal Directorate, Directorate for Government Meeting Preparation, Litigations and Human Resources Directorate, Public Relations Directorate) also play important roles in supporting the decision-making system, but do not have explicit policy mandates. In practice, however, these organizations do deal with public policy issues. GSG also convenes and supervises the regular preparatory meeting attended by line ministries to ensure inter-ministerial coordination prior to the government meeting.

58. Outside GSG, but within the apparatus of the government, the DPR (65 positions) coordinates a wide range of interactions between the GoR and parliament, assesses whether the emergency ordinances are fully justified, and prepares the legislative plan for implementing the Government Program. The DEA (112 positions) coordinates the process for reviewing and developing positions on European policy documents and legislation and is leading the Europe 2020 strategic planning process.

59. The 2009 restructuring of the CoG dissolved the Chancellery (Prime Minister’s Office). The Prime Minister’s Working Apparatus now comprises 34 positions, including a head of cabinet and a number of individual policy advisors who focus on policy areas such as the economy and public administration. 18 The distinction between political and administrative policy roles and responsibilities has never been fully addressed. 19 In the absence of a robust policy process, the working relationship between PPD and the Prime Minister’s advisors remains underdeveloped. For instance, there is no systematic coordination between the PPD and the political advisors with regard to reviewing strategies, substantiation notes, or other policy documents. If the policy and financial planning process is strengthened, these interactions will need to intensify, and the respective roles and responsibilities will need to be clearly defined.

Public Policy Function in Line Ministries

17 The Directorate is functionally reporting to an Advisor of the Prime Minister although it is formally within GSG.

18 The Prime Minister’s Working Apparatus is led by the Head of Cabinet and constitutes a Prime Minister’s Office. The office became a much smaller organization with the dissolution of the Chancellery.

19 A 2006 Phare twinning project report on the Division of Functions for Policy-Making observed then that these roles had not been clarified. This situation continues to exist although the Chancellery has been dissolved.
60. At the implementing level, PPU$s were established in line ministries as a counterpart to PPD to coordinate strategic planning, policy development, and monitoring and evaluation. As these processes remain largely unimplemented, the PPU$s have never realized a meaningful policy role. As a result, many of these units are now understaffed and/or undervalued by senior ministry management. Many focus on project work not directly related to their mandate.

61. Given the implications within ministries of public policy reform for the public finance, legal, and European affairs coordination functions, it is important to review these functions together. Although the level of coordination between these functions varies between ministries, and there are positive examples, it operates well below the levels foreseen in the various regulations on strategic planning, policy development, legal drafting, MTEF preparation, program budgeting, and European affairs coordination. Observations include:

- because decision-making remains focused on legal text rather than policy directions, the legal departments oversee the preparation of the substantiation notes;
- because the national and EU policy and planning processes operate largely in isolation, there is minimal coordination between PPUs and European Affairs Units; and
- although PPUs do work effectively with the Economics/Budget Unit in certain ministries, the continuing erosion of strategic planning and policy development processes discourages such interactions.

62. Intensifying the coordination problem is the diverse reporting relationships across ministries. Some units report to political positions, such as the Minister or a State Secretary, while others report directly or indirectly to the General Secretary, the highest ranking civil servant. In five ministries, the PPU and Economics/Budget Unit have split reporting; i.e., one reports to a political post while the other reports to a civil service post. In only two ministries do all four units (the PPU, Economics/Budget Unit, European Affairs Unit and Legal Unit) report directly or indirectly to the ministry’s General Secretary. Table 2.2 below summarizes these reporting relationships.

63. The varied, mixed reporting relationships can cause problems. Effective coordination across these four units is more difficult when reporting relationships differ, but this can be particularly problematic when reporting is split between political and civil servant posts. In most countries, ‘management’ functions, which typically include policy coordination, financial management, legal drafting and human resources management, are considered civil service functions and most often report to the General Secretary; and it is through the General Secretary that the political level provides the strategic input.

Table 2.2: Reporting Relationship of Core Coordination Units Within Ministries

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Public Policy Unit</th>
<th>Economics/Budget Unit</th>
<th>European Affairs Unit</th>
<th>Legal Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration and Interior</td>
<td>State Secretary</td>
<td>General Secretary</td>
<td>Director</td>
<td>General Secretary</td>
</tr>
<tr>
<td>Agriculture and Rural Development</td>
<td>General Secretary</td>
<td>General Secretary</td>
<td>Minister</td>
<td>General Secretary</td>
</tr>
</tbody>
</table>
Table 2.3 summarizes staffing numbers for each of these four units across all ministries. On average, ministries have 95 posts spread across these four units, although actual numbers vary considerably depending on the size and function of the ministry. Although this assessment cannot provide specific direction on what the appropriate number of staff should be, there may be scope to rationalize the structures as well as the numbers of staff by looking at these functions as a complementary set of activities.

Table 2.3: Staffing Levels of Core Coordination Units Within Ministries

<table>
<thead>
<tr>
<th>Ministry</th>
<th>PPU</th>
<th>Economics/Budget Unit</th>
<th>European Affairs Unit</th>
<th>Legal Unit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Filled</td>
<td>Budget</td>
<td>Filled</td>
<td>Budget</td>
<td>Filled</td>
</tr>
<tr>
<td>Administration &amp; Interior</td>
<td>13</td>
<td>13</td>
<td>63</td>
<td>81</td>
<td>73</td>
</tr>
<tr>
<td>Agriculture &amp; Rural Development</td>
<td>2</td>
<td>2</td>
<td>117*</td>
<td>126*</td>
<td>*</td>
</tr>
<tr>
<td>Communication &amp; Informational Society</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>15</td>
<td>2</td>
</tr>
<tr>
<td>Culture</td>
<td>1</td>
<td>1</td>
<td>15</td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>Economy, Commerce &amp; Business Environment</td>
<td>3</td>
<td>3</td>
<td>28***</td>
<td>31***</td>
<td>87</td>
</tr>
<tr>
<td>Education, Research, Youth &amp; Sport</td>
<td>7</td>
<td>10</td>
<td>19</td>
<td>19</td>
<td>16</td>
</tr>
<tr>
<td>Environment &amp; Forests</td>
<td>2</td>
<td>3</td>
<td>12</td>
<td>29</td>
<td>14</td>
</tr>
<tr>
<td>Foreign Affairs</td>
<td>6</td>
<td>6</td>
<td>46</td>
<td>47</td>
<td>14</td>
</tr>
<tr>
<td>Health</td>
<td>2</td>
<td>8</td>
<td>30</td>
<td>31</td>
<td>5</td>
</tr>
<tr>
<td>Justice</td>
<td>7</td>
<td>8</td>
<td>24</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td>Labor, Family &amp; Social Protection</td>
<td>13</td>
<td>13</td>
<td>34</td>
<td>39</td>
<td>12</td>
</tr>
<tr>
<td>Public Finance</td>
<td>4</td>
<td>8</td>
<td>30</td>
<td>33</td>
<td>22</td>
</tr>
<tr>
<td>Regional Development &amp; Tourism</td>
<td>2</td>
<td>5</td>
<td>42</td>
<td>43</td>
<td>9</td>
</tr>
<tr>
<td>Transport</td>
<td>**</td>
<td>**</td>
<td>42</td>
<td>42</td>
<td>27</td>
</tr>
<tr>
<td>Average across Ministries</td>
<td>5</td>
<td>6</td>
<td>30</td>
<td>35</td>
<td>23</td>
</tr>
</tbody>
</table>

NOTE: “Public Policy Unit,” “Economics/Budget Unit,” “European Affairs Unit” and “Legal Unit” are generic terms, and may have different titles in different ministries.

*Staff numbers not broken down by Economics/Budget Unit, European Affairs Unit, and Legal Unit.

**Not a formal policy unit, function is performed by a working group.

***Function is covered by two different units.
65. In sum, the institutions that would support a policy process, for the most part, do exist in Romania. This is highly positive as attention can therefore turn to increasing their relevance and capacity rather than building them from the ground up. At present, however, the failure to implement and sustain any of the core public policy processes minimizes any positive impact that such organizations might provide on the quality of public policy. Romania’s policy institutions exist and attempt to promote policy practices, but do so in a vacuum.

66. If changes to Romania’s policy and planning systems are approved, training on the related procedures will be required. This training would include tailored programs for line ministries, on developing policy, and also central institutions, on assessing ministry proposals. These processes will also need to be reflected in training provided to the Ministry of Public Finance (MoPF) and line ministry officials working on the budget process. Above all, senior management must be trained on the purpose of these processes and their own roles and responsibilities in overseeing the process.

67. Given that the current organizational design for delivering policy is not working, the issue arises: is a radical restructuring required or is it more appropriate to reinvigorate the existing structure by implementing a robust policy process that is valued and utilized by the political level? Although this report will be recommending the latter, it is important to consider the full range of options.

**Organization of GSG**

GSG comprises a wide variety of departments and functions (Figure 2.7).

---

**Figure 2.7**

Organizational Structure of the General Secretariat of the Government

(filled posts/budgeted posts)

---

General Secretary

plus cabinet (10/13)

State Secretary

For Relations with Parliament

plus cabinet (2/2)

Economic Directorate

(24/25)

IT Service (11/12)

Logistics Directorate

(22/26)

Public Policy Directorate

(36/36)

Public Relations Directorate (20/20)

AuditorCompartment (3/3)

Compartment for International Relations, High Representatives and Protocol (20/25)

Compartment for Government Inspectors (72/77)

Directorate for Government Meeting Preparation (20/20)

Legal Directorate (20/24)

Directorate for Government Strategies (24/26)

Compartment for Government Inspectors (72/77)

Programs and Projects Service (9/10)

Special Directorate (22/25)

Compartment for International Relations, High Representatives and Protocol (20/25)

Compartment for Government Inspectors (72/77)

State Secretary

Press Spokesperson of the Government plus cabinet (1/3)

Department for Communications and Spokesperson of the Government (18/19)

Economic Directorate

(24/25)

IT Service (11/12)

Logistics Directorate

(22/26)

Public Policy Directorate

(36/36)

Public Relations Directorate (20/20)

AuditorCompartment (3/3)

Compartment for International Relations, High Representatives and Protocol (20/25)

Compartment for Government Inspectors (72/77)

Directorate for Government Meeting Preparation (20/20)

Legal Directorate (20/24)

Directorate for Government Strategies (24/26)
68. This review of the CoG focuses on the processes and institutions that coordinate policy across government. As such, it does not include a detailed analysis of every organization at the center. However, it will consider how GSG’s organization may affect its future policy decision-making role and how the overall structure of the CoG can place unnecessary demands on the Prime Minister or senior political officials.

69. Within GSG, a more consolidated senior management structure might be considered. First, the number of direct reports (18) to the General Secretary of Government is extremely high; 5-6 would be more manageable. Second, ways to strengthen the profile of the policy function within GSG should also be considered. Although the Director PPD has excellent access to the General Secretary of Government, implementation of a policy process across government would be more willingly received by line ministries if led by a senior political appointee. Third, consideration should be given to moving out of GSG those departments that do not have policy-related mandates (e.g., the Department for Government Inspectors; Programs and Projects Service).

**Agencies Reporting to CoG**

70. Within the CoG more broadly, 25 agencies report directly to the Prime Minister or his Advisors or to the GSG. Although this does not directly affect the delivery of the central policy functions, an excessive number can consume the Prime Minister’s time (or that of the official to whom he delegates the responsibility) and duplicate or undercut ministerial authority. From time to time, there may be a political or legal rationale for locating an agency at the center (for example, an EC requirement or to demonstrate that it constitutes a high government priority), but this should be the exception rather than the rule. The current list of agencies reporting to the CoG is set out in Table 2.4.

**Table 2.4: Agencies Reporting to CoG**

<table>
<thead>
<tr>
<th>Agency</th>
<th># Staff Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Apparatus of the Prime Minister</td>
<td>34</td>
</tr>
<tr>
<td>Working Apparatus of the Deputy Prime Minister</td>
<td>19</td>
</tr>
<tr>
<td>Fight against Fraud Department</td>
<td>54</td>
</tr>
<tr>
<td>Prime Minister’s Control Corpus</td>
<td>64</td>
</tr>
<tr>
<td>Department for Interethnic Relations</td>
<td>29</td>
</tr>
<tr>
<td>Department for European Affairs</td>
<td>118</td>
</tr>
<tr>
<td>Department for Parliamentary Relations</td>
<td>54</td>
</tr>
<tr>
<td>Department for Romanians Abroad</td>
<td>27</td>
</tr>
<tr>
<td>State Secretariat for Cults</td>
<td>30</td>
</tr>
<tr>
<td>National Office for Contestations</td>
<td>86</td>
</tr>
<tr>
<td>National Authority for Public Procurement</td>
<td>93</td>
</tr>
<tr>
<td>Office of National Register for Classified Information</td>
<td>101</td>
</tr>
<tr>
<td>Authority for Recovery of State Assets</td>
<td>272</td>
</tr>
<tr>
<td>Institute for Studying Minority Problems</td>
<td>29</td>
</tr>
<tr>
<td>Institute for Investigating Communist Crimes/ Remembering Exile</td>
<td>38</td>
</tr>
<tr>
<td>National Agency for Mineral Resources</td>
<td>100</td>
</tr>
</tbody>
</table>
In fact, the CoG was reorganized in 2009 with the dissolution of the Chancellery (i.e., Prime Minister’s Office) and a reduction in the number of agencies reporting to the Government or GSG. Nevertheless, even after the last restructuring, an unnecessarily high number of agencies continue to report to the CoG.

Although an in-depth review of each agency is beyond the mandate of the CoG review, it is important to provide a preliminary assessment of whether these agencies should continue to be attached to the CoG. For those agencies that have no compelling reason to remain at the center, a more detailed assessment will be needed to determine the appropriate disposition. In reviewing the 25 agencies, 5 criteria were considered in assessing whether each agency should continue to be located at the CoG:

1. The activity of the agency fits within the typical core functions of the center of government. These include:
   - administrative and policy support for the Prime Minister and Deputy Prime Minister (may also include ceremonial, protocol functions);
   - strategic planning & annual work planning;
   - policy document review: quality assurance; inter-ministry mediation;
   - monitoring government performance;
   - management of horizontal policies/priorities;
   - preparation of government meetings;
   - legal conformity of draft laws;
   - communication with media and public (including contentious issues management);
   - coordinating with other branches of the state (include the Presidency, Parliament, the parties making up the governing coalition, the institutions of civil society);
   - ancillary services (e.g.; personnel, financial, organizational, archives);
   - coordination of activities related to European Affairs (in some countries, this is located in a ministry); and
   - coordination of activities related to management of the civil service (in some countries, this is located in a ministry).

Different terms are used in different countries for the organizations at the center of government. The most common terms for the office(s) responsible for policy management include: Prime Minister’s Office, Chancellery, General Secretariat, Government Office, Policy Coordination Office, Council of Ministers’ Office; and Cabinet Office.
2. The agency’s mandate is of such **high political sensitivity** that it needs the time-limited, direct engagement and leadership of the Prime Minister. If an agency exists for this reason, it is important to review the mandate of the agency periodically to assess whether the issue it addresses is still urgent and, if not, whether the agency should be relocated to an appropriate ministry or disbanded altogether.

3. The agency’s mandate is a **high priority, cross-cutting reform** for the government and requires the direct engagement and time-limited leadership of the Prime Minister to ensure effective implementation. A common example of such an agency would be one dedicated to public administration reform. Similar to criterion 2, the location of the agency at the center should be time limited. Following implementation of the reform, the agency’s responsibilities would be delegated to the appropriate ministry.

4. The activity of an agency is of **general importance to all ministries** and requires the authority of the Prime Minister to ensure compliance by ministries. Examples from other countries include dealing with refugees, national minorities, religious communities, disabled people, women’s issues, etc.

5. The agency’s mandate requires **independence** from the line ministry that would normally have responsibility for the related policy area. A number of regulatory functions fall within this category, in some cases, reinforced by an EU directive.

73. Even for agencies that nominally meet criteria 2, 3, and 4, it is important to assess whether the agency or its core functions could now be assumed by an existing line ministry. Regardless of how compelling the reason may be for locating an activity in the center, the Prime Minister can only engage directly and effectively in a limited number of priorities. Therefore, in deciding that an activity should be located at the center, careful consideration of alternative solutions should be taken into account.

74. Finally, for those agencies that need to stay at the CoG, consideration should be given to assigning reporting responsibility to the Deputy Prime Minister or possibly to a Minister of State.

75. Table 2.5 summarizes the results from applying these five criteria to the 25 agencies that are currently located at the CoG. Four organizations clearly deliver core CoG functions (criterion 1). Two agencies continue to represent high profile, politically sensitive issues (criterion 2). No agencies deliver major reforms (criterion 3) and only one represents a cross-cutting issue requiring the Prime Minister’s authority (criterion 4). Six agencies require independence from line ministries (criterion 5).

76. The remaining 12 agencies do not meet the criteria sufficiently to justify keeping them at the CoG and should be considered candidates for a more in-depth review. Alternative options will include reassigning the function to the appropriate line ministry, restructuring the agency or disbanding the agency.
77. For the agencies remaining at the center, the review should consider changes in reporting relationship within government (for example, away from GSG to the Deputy Prime Minister or a Minister of State), changes in budget level (while being sensitive to the MoPF’s desire to limit the number of primary budget users), potential amalgamation, or shifting the reporting relationship from the GoR to Parliament.

78. It is acknowledged that this cursory review, based on a single workshop, may have overlooked certain legal or political factors. It is accordingly offered as a point of departure for a more rigorous review to streamline the CoG rather than a definitive recommendation. Nonetheless, the CoG review team felt it important to provide an indicative starting point for this critical issue.

Table 2.5: Assessment of CoG Agencies for Potential Divestment

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Core function of the CoG</td>
<td>Working Apparatus of the Prime Minister&lt;br&gt;Working Apparatus of the Deputy Prime Minister&lt;br&gt;Department for European Affairs&lt;br&gt;Department for Parliamentary Relations</td>
</tr>
<tr>
<td>2. High profile and politically sensitive issue requiring direct engagement by the PM</td>
<td>Department for Interethnic Relations&lt;br&gt;National Agency for Roma</td>
</tr>
<tr>
<td>3. High priority reform requiring direct engagement by the PM</td>
<td></td>
</tr>
<tr>
<td>4. Cross-cutting issue requiring PM’s authority for compliance</td>
<td>Office of the National Register for Classified Information</td>
</tr>
<tr>
<td>5. Requires independence from line Ministry</td>
<td>National Council for Contestations&lt;br&gt;National Commission for Hospital Accreditation&lt;br&gt;National Institute for Statistics&lt;br&gt;National Regulating Authority for Energy Field&lt;br&gt;National Authority for Sanitary, Veterinary and Food Security&lt;br&gt;National Office for the Prevention &amp; Control of Money Laundering</td>
</tr>
<tr>
<td>Agencies for which no criteria apply</td>
<td><strong>Fight against Fraud Department</strong>&lt;br&gt;Prime Minister’s Control Corpus&lt;br&gt;Department for Romanians Abroad&lt;br&gt;State Secretariat for Cults&lt;br&gt;National Authority for Regulating and Monitoring Public Procurement&lt;br&gt;Authority for Recovery of State Assets&lt;br&gt;Institute for Studying Minority Issues&lt;br&gt;Institute for Investigation of Communist Crimes and Memory of Romanian Exile&lt;br&gt;National Agency for Mineral Resources&lt;br&gt;National Anti-Doping Agency&lt;br&gt;National Commission for Control of Nuclear Activities&lt;br&gt;Romanian Office for Adoption</td>
</tr>
</tbody>
</table>
3. RECOMMENDATIONS

The report’s recommendations are organized under five strategic directions for public policy reform. To avoid overload, implementation must be sequenced over two to three years (see Table 3.1). In 2011, priority will be placed on implementing those process improvements that support the Government’s efforts to implement the FRL and better plan its policy and financial priorities. In parallel, processes will be designed and tested to accompany the introduction of deeper policy and planning reforms during 2012-13.

Table 3.1: Sequencing Core Public Policy Reforms

<table>
<thead>
<tr>
<th>Strategic Direction</th>
<th>2011</th>
<th>2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>integrate policy &amp; financial planning</td>
<td>• adopt an integrated policy and financial planning calendar</td>
<td>• refine and improve the system</td>
</tr>
<tr>
<td></td>
<td>• integrate a streamlined strategic planning process with the Fiscal</td>
<td>• improve the quality of multi-year fiscal impact</td>
</tr>
<tr>
<td></td>
<td>Strategy and annual budget process</td>
<td>impact assessments of normative acts</td>
</tr>
<tr>
<td></td>
<td>• establish a political decision-making body to oversee the new</td>
<td></td>
</tr>
<tr>
<td></td>
<td>process</td>
<td></td>
</tr>
<tr>
<td>improve policy formulation</td>
<td>• design improved policy formulation process</td>
<td>• implement a streamlined approach for developing</td>
</tr>
<tr>
<td></td>
<td>• implement a streamlined approach for developing and reviewing</td>
<td>and reviewing public policy proposals and</td>
</tr>
<tr>
<td></td>
<td>public policy proposals and substantiation notes</td>
<td>substantiation notes</td>
</tr>
<tr>
<td></td>
<td>• GSG to perform a challenge function to assure the quality of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ministry proposals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• harmonize national and EU policy systems</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• develop and implement proposals to reduce the volume of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>administrative items</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• reintroduce a streamlined inter-ministerial committee system</td>
<td></td>
</tr>
<tr>
<td>reduce reliance on ad hoc decision making</td>
<td>• prepare a 2011 AGWP,</td>
<td>• expand the AGWP</td>
</tr>
<tr>
<td></td>
<td>revise Rules of Procedure and empower GSG to enforce the new rules</td>
<td>• significantly reduce reliance on supplementary</td>
</tr>
<tr>
<td></td>
<td>• enhance the role of the preparatory meeting</td>
<td>agenda and the volume of emergency ordinances</td>
</tr>
<tr>
<td>expand performance information</td>
<td>• initiate quarterly monitoring of the 2011 AGWP</td>
<td>• prepare and publish ministry annual reports on</td>
</tr>
<tr>
<td></td>
<td>• Introduce basic performance measures (linked to the budget</td>
<td>achieved vs. planned results</td>
</tr>
<tr>
<td></td>
<td>process</td>
<td>• introduce basic performance measures (linked to</td>
</tr>
<tr>
<td></td>
<td>• approve restructuring proposals for:</td>
<td>the budget process)</td>
</tr>
<tr>
<td></td>
<td>o PPD</td>
<td></td>
</tr>
<tr>
<td>streamline organizational structures</td>
<td>• implement restructuring proposals</td>
<td>• deliver training on the new</td>
</tr>
</tbody>
</table>
3.1 Integrate Policy and Financial Planning

1. Adopt an Integrated Policy and Financial Planning Calendar\(^{21}\) for 2011 that appropriately sequences the main steps and decision points in the Fiscal Strategy, strategic planning and budget processes. A proposed calendar is set out in Annex B. The calendar would also incorporate relevant actions and deadlines related to European affairs and the 2011 Commission Work Plan.

2. Reinvigorate the Government’s strategic planning process and align it with the Fiscal Strategy and annual budget process:
   a. implement a priority-setting process at the beginning of the planning cycle, as an initial step in the development of the Fiscal Strategy;\(^ {22}\)
   b. consolidate the budget planning and strategic planning instructions and formats, issued respectively by the MoPF and GSG, into a unified methodology;
   c. design a streamlined strategic planning process for ministries, where 3-year plans would be updated annually, taking into account the Government’s strategic priorities and Fiscal Strategy; the plans would be timed to feed into the development of the MTEF, which forms part of the Fiscal Strategy;
   d. ensure that the strategic plans reflect both GoR and European commitments; and
   e. produce and publicly release an annual report for each ministry that indicates achieved versus planned results for each ministry’s strategic plan.\(^ {23}\)

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\(^{21}\) The Calendar would be supported by clearly defined roles and responsibilities of decision-making institutions, coordinating institutions and implementing institutions.

\(^{22}\) The priorities would draw on strategic documents such as Europe 2020, the Government Program, international commitments, and the previous year’s Fiscal Strategy. For the 2011 process (for 2012–14), a simplified approach would be adopted. One of the priorities would be to increase the absorption rate of structural funds.

\(^{23}\) Initially, reporting would focus on delivery of key commitments (was promised legislation approved?) and achievement of implementation plans for policy and financial commitments (is implementation on track? were the anticipated savings achieved?). Over time, the performance dimension (output and outcome measures) would expand alongside the development of output-based budgeting.
3. Establish an appropriate decision-making body to oversee both the policy and financial planning processes. This body would emphasize the leadership roles of both the Prime Minister and Minister of Public Finance and would be structured to encourage their substantive engagement on key policy and financial issues. Options to be considered include:
   a. Strategic Planning Committee chaired by the Prime Minister (recommended);
   b. revamped Coordinating Committee;
   c. Budget Committee; and/or
   d. special government meeting (recommended in combination with 3a).

4. Mandate this decision-making body (from recommendation 3) to oversee the following functions:
   a. identification of policy and fiscal priorities;
   b. preparation of ministry strategic plans and sector expenditure strategies, based on indicative ceilings;
   c. preparation of a macro/fiscal framework and establishment of refined budget ceilings;
   d. identification of policy trade-offs as required to meet the ceilings;
   e. approval of the Fiscal Strategy and related documents (e.g., MTEF);
   f. measures to maximize absorption of EU structural funding; and
   g. approval of the AGWP (see recommendation 17 below).

5. Redesign and implement, for both the public policy document and the substantiation note, an improved multi-year fiscal impact assessment tool to cover all normative acts with significant (explicit criteria will be set) multi-year fiscal impacts.

6. Initiate discussions with Parliamentary authorities on mechanisms that would constrain the passage of laws generated by members of Parliament that impose significant financial costs on the Government.24

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24 There are a variety of mechanisms used in other countries. These include a requirement to identify offsetting reductions; prohibition on private members’ laws with significant financial impacts; and the preparation of a fiscal impact assessment prior to submitting the law – note the joint approach of the European Parliament, Commission and Council in developing impact assessments as part of their Inter-Institutional Common Approach to Impact Assessment (2005).
3.2 Improve Policy Formulation

7. Overhaul the procedures and timelines for preparing, consulting on, reviewing and approving policy and legal documents with a view to streamlining the process, avoiding unnecessary delays, and focusing political attention on priority matters (see Annex A).

8. Revitalize the approach to preparing, reviewing and approving public policy documents: phase in the approach during 2011 (by testing the new format on a few priority issues) for full implementation by 2013:

   a. introduce a stronger top-down approach, where the need for individual public policy documents is identified through the AGWP process (it is anticipated that only a limited number of documents focusing on the most important issues would be prepared each year);

   b. revise the rules for determining which policy issues require a public policy document;

   c. require mandatory consultation with internal and external stakeholders in advance of submitting the document for endorsement at the preparatory meeting; discuss with the Economic and Social Council how they might participate in this advance consultation process;

   d. redesign the format to include an Executive Summary (maximum 3 pages) and an Analytic Document (no maximum, but should generally not exceed 30 pages);

   e. incorporate key regulatory and fiscal impact assessment requirements within the public policy document format;

   f. include a section which summarizes the key messages for public communication of the proposal;

   g. include a section in each public policy document which clearly states the policy directions being submitted for approval; and

   h. revise standards and guidance to cover the preparation and review of medium to longer-term strategic documents by 2013.


10. Propose measures to improve the quality of substantiation notes (these would be the most frequently prepared and reviewed policy document); phase in the approach during 2011 (by testing the new format on a few priority issues) for full implementation by 2013:
a. instruct ministries that the development of policy options and recommended directions for the substantiation note should be agreed before legal drafting of the supporting normative acts commences;

b. develop a streamlined format for the basic substantiation note for issues with marginal policy or fiscal impacts;

c. establish clear criteria for determining when a basic or an expanded substantiation note (i.e., with a policy and/or fiscal impact assessment) would accompany a draft normative act;

d. include a section in each expanded substantiation note which clearly states the policy directions being submitted for approval; and

e. exempt purely technical or administrative items from the requirement.

11. Strengthen GSG’s quality assurance role by:

   a. requiring written comments from GSG officials on all public policy documents and expanded substantiation notes; and
   
   b. empowering GSG to return to ministries documents that do not meet approved quality standards.

12. Adopt measures to enhance the political review and approval of public policy documents and expanded substantiation notes:

   a. government decisions would explicitly approve, amend or reject the recommended policy directions contained in these documents; and
   
   b. normative acts would not be approved unless they reflected all policy directions contained in the government decision.

13. GSG and DEA to develop proposals on harmonizing the policy development and review methodologies, wherever feasible, for EU and national policies; in most instances, the policy process that applies to national policy issues (as proposed in recommendation 8) should be applied to the preparation of proposed government positions on EU policies.

14. Increase the time available for policy deliberations by significantly reducing the volume of administrative items reviewed at the government meeting (e.g., by delegation, legislative change, automatic approval without discussion). GSG will work with line ministries, and the Ministry of Administration and Interior in particular, to identify such measures. The practice of drafting articles in individual legal acts that specify the need for a government decision should be discontinued.
15. Develop proposals to reintroduce a streamlined inter-ministerial committee system (only 3-4 policy committees would be established) to coincide with the full implementation of public policy documents by 2013.

16. Prepare legal amendments and detailed operating procedures/guidance on preparing public policy documents and substantiation notes (early versions already exist) to implement the above proposals.

3.3 Reduce Reliance on Ad Hoc Decision Making

17. GSG to coordinate preparation of an AGWP. The new process will require ministries to identify in advance all significant policy, financial and legal documents to be submitted for Government approval over the coming year:

a. the AGWP will include two components: proposed deadlines for submitting priority policy and legal proposals for government approval (building on the legislative program currently prepared by the DPR); and key milestones for implementing major policy and financial commitments;

b. the AGWP will be developed by a working group headed by GSG and including MoPF, DPR, DEA, Ministry of Justice (MoJ) and an Advisor to the Prime Minister;

c. the AGWP will be expanded in scope over the medium term; and

d. the AGWP will follow the dates set out in the indicative calendar (see Table 3.2); these dates may need to be modified for 2011.

<table>
<thead>
<tr>
<th>Action</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>appoint working group headed by GSG with MoPF, DEA, DPR, MoJ</td>
<td>October 1</td>
</tr>
<tr>
<td>GSG issues instructions on AGWP preparation to line ministries</td>
<td>October 15</td>
</tr>
<tr>
<td>ministries submit proposals to GSG</td>
<td>November 10</td>
</tr>
<tr>
<td>working group compiles draft AGWP</td>
<td>November 30</td>
</tr>
<tr>
<td>Government approves AGWP</td>
<td>December 15</td>
</tr>
</tbody>
</table>

18. Institute measures to reduce the government meeting workload, increase the time available for policy deliberations, and ensure that all items presented at the government meeting have been fully reviewed by central institutions in advance (see Annex A):

25 This would replace the current process, whereby the DPR prepares and monitors a plan related to laws supporting the Government Program. In assuming responsibility for the more comprehensive process, GSG would need to ensure that laws related to the Government Program would continue to be identified and monitored. Protocols for sharing this information with the DPR would also be developed.
a. utilize the AGWP as the source for determining when policy and legal proposals will be received at the preparatory and government meetings;

b. require ministries to identify well in advance any items requiring government approval that are subject to statutory deadlines;

c. over time, place much more stringent controls on the use of emergency ordinances, with a medium-term goal to eliminate the practice altogether except for true national emergencies;

d. over time, eliminate the use of the supplementary agenda except in true cases of emergency;

e. move forward the preparatory meeting by 2 working days to permit additional time for quality assurance and dispute resolution; allow 12 working days for endorsement of items with substantive policy, legal and/or fiscal impacts;

f. enforce provisions requiring that a full endorsement process, including a final review at the preparatory meeting, occurs prior to the scheduling of any item on the government meeting agenda;

g. empower GSG to defer to a subsequent preparatory meeting any items that do not meet the advance submission time frames for the endorsement process;

h. develop rules governing exceptions to these time frames to meet urgent deadlines, but empower GSG to determine whether such items truly merit an expedited process;

i. discuss with the Legislative Council, Economic and Social Council, and other Councils as necessary, measures to align their reviews with the proposed government endorsement and approval process; and

j. establish a separate section on the government meeting agenda for priority items and place this at or near the top of the agenda.

19. Streamline and enhance the transparency process by conducting it in two phases:

a. phase one would be coordinated by the ministry; the draft normative act would be placed on the ministry’s website at least 15 days before the announcement of the related item at the preparatory meeting; and

b. phase two would be coordinated by GSG and be initiated following the announcement of the item at the preparatory meeting; the most recent version of the draft normative act, along with the related substantiation note, would be placed on the GSG website for 15 days and proceed in parallel with the internal endorsement process.
3.4 Expand Performance Information

20. Introduce a monitoring and reporting system for the AGWP:
   a. ministries to report on compliance with AGWP deadlines for submitting priority policies and laws in 2011 (building on the process of monitoring the legislative program currently managed by the DPR), and other key decision-making documents in future years, on a quarterly basis;
   b. GSG to prepare quarterly reports on ministry compliance with the AGWP for review by decision makers; and
   c. GSG to produce and publicly release an annual report that indicates achieved versus planned results for the AGWP.26

21. Use the preparatory meeting as the primary forum for coordinating the monitoring process and recommending measures to the Prime Minister and government meeting to improve compliance and pre-empt problems.

22. Produce and publicly release annual reports that indicate achieved versus planned results for each ministry’s strategic plan (see recommendation 2e above).

23. GSG to work with MoPF to develop a performance monitoring approach for the Government’s strategic priorities. This would be implemented in 2012 based on 2011 performance and may form part of an expanded AGWP.

24. Establish a set of milestones and performance indicators and targets to track progress in implementing these reforms. Targets should be developed by the Integrated Planning Working Group (see recommendation 38). These measures should be combined with those related to implementing public finance reform. Sample indicators could include:
   a. the number of ministries producing strategic plans that meet the approved standards regarding submission dates and contents for the 2012-14 planning process;
   b. the degree of alignment between strategic plans and budget documentation (more detailed indicators to be developed);
   c. the proportion of projects of law and public policy documents in the AGWP that support government priorities;

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26 Initially, the reporting should be confined to priority laws and priority measures related to implementing the fiscal strategy. As the quality and reliability of data improve and the budget reporting system is elaborated, reporting can be expanded.
d. the proportion of priority projects of law and public policy documents from the AGWP that met their deadlines for submission to Government;

e. the proportion of projects of law approved during the year that were identified in the AGWP;

f. the percentage of public policy documents commented on by PPD; the percentage returned to ministries by PPD for not meeting content or quality standards;

g. the percentage of substantiation notes commented on by PPD; the percentage returned to ministries by PPD for not meeting content or quality standards;

h. the number and value of approved projects of law where the fiscal impact was not properly established prior to the Government decision;

i. alignment between approved public policy document and related, subsequent legislation (more detailed indicators to be developed);

j. a reduction of x% by December 2011 and y% by December 2013 in the number of emergency ordinances approved by the Government;

k. a reduction of x% by December 2011 and y% by December 2013 in the number of items placed on the supplementary agenda of the government meeting;

l. the percentage of major policy and legal decisions taken by the Government that were announced at the preparatory meeting;

m. a reduction of x% by December 2011 and y% by December 2013 in the volume of administrative items requiring government approval;

n. the proportion of tasks assigned by the Prime Minister or Government that met their deadlines;

o. the number of meetings of the Strategic Planning Committee;

p. a reduction in the number of organizations reporting to the Government or GSG; and

q. a reduction in the number of direct reports to the General Secretary of the Government.

3.5 Streamline Organizational Structures

Central Policy Function (PPD)

25. Retain the policy management function at the CoG. This will be accomplished by significantly strengthening the policy management function within GSG,
supplemented by formal linkages with the Prime Minister’s Advisors (recommended).²⁷

26. Restructure PPD to reflect its policy and planning mandate. A potential structure could include six core divisions: four policy sectors (economic; infrastructure; social; justice & security), one central planning and monitoring unit (strategic planning) and one project management unit, which would coordinate and service the various time-limited projects (see Figure 3.1).²⁸

27. Appoint a full-time Prime Minister’s Advisor to oversee the public policy reform process.

28. Develop protocols to regulate the working relationship between the Prime Minister’s Advisors and GSG, in particular with PPD in the context of the strategic planning and policy formulation process, and define their respective roles and responsibilities.

Figure 3.1 – Potential Structure for PPD

²⁷ An option used in some countries, to manage all policy through political appointees in the Prime Minister’s Office/Chancellery, was felt inappropriate for Romania as this option has been attempted previously and rejected. Moreover, this option would run counter to proposals under the project’s human resources component to de-politicize the civil service. If the GoR does not proceed with public policy reform, this will represent a de facto decision to shift the policy management function to the Ministry of Public Finance as part of its responsibilities to the Fiscal Strategy. This option would be appropriate if the Government decided to confine the policy process to supporting the Fiscal Strategy/MTEF process, rather than as a more expansive process that took into account the policy implications, through the preparation of public policy documents and substantiation notes, of normative legal acts.

²⁸ Such a restructuring would depend on a resolution to the issue of salary top-ups being provided to PPD staff for project work. If not addressed, this would present a significant barrier to recruiting and retaining full-time policy analysts.
**General Secretariat of Government**

29. Initiate an organizational review to determine how best to reduce the General Secretary of Government’s span of control to a more manageable number (from 18 to 5-6 direct reports). The review should be completed by February 28, 2011.

30. As part of the review, determine the degree to which the current directorates and departments within GSG support its core policy and legal coordination mandate and, if they do not, whether they should be moved elsewhere.

31. Identify an appropriate organizational option for raising the profile of the policy management function and ensuring that GSG is positioned to lead the reform process across government. Options include:
   a. appoint a State Secretary reporting to the General Secretary of the Government to lead the reform; PPD would report to the State Secretary;
   b. the General Secretary of the Government could assume this role; in this case, GSG would need to be significantly streamlined so that additional duties do not detract from the reform leadership responsibilities; or
   c. locate the reform outside GSG, reporting to a Prime Minister’s Advisor, with a view to transferring implementation responsibilities back to GSG following completion and approval of the reform design; selected members of PPD would work as part of the project team.

32. Develop or revise protocols to regulate and strengthen the working relationship between GSG and other agencies within the working apparatus of the government; in particular the DEA and DPR.

**Agencies Reporting to the CoG**

33. Conduct a functional review, for completion by February 28, 2011, of the agencies that report to the center with a view to eliminating or transferring to line ministry supervision all non-core functions. The preliminary list of agencies that could be moved out of the GSG is set out in Table 2.5 and the related selection criteria should be used as the starting point.

**Ministry Policy and Coordination Functions**

34. Realign, over a 2-3 year period, the reporting relationships of the core coordination units within ministries, i.e., Public Policy, Economics/Budget, Legal, and European Affairs Units, so that all report directly or indirectly to the General Secretary, rather
than to a State Secretary or the Minister (two possible models are presented in Figure 3.2).  

35. Determine the best option for restructuring each ministry’s core policy, financial, legal and European affairs coordination functions following approval by the Government of the specific package of public policy and finance reforms. (The following proposals are therefore indicative pending this decision). 

36. For implementation of an integrated policy and financial planning process (see recommendations 1-6) and a harmonized government-EU policy process (see recommendation 13), taking into account the particular situation and context in individual ministries, consider the following two options:

a. **Option A.** Merge the PPU and Economics/Budget Unit into one organization, with a Strategic Planning and Fiscal Strategy Department mandated to prepare the core policy and financial planning documents (i.e., strategic plan, inputs to the AGWP, MTEF/budget submissions), coordinate related inputs from all other parts of the ministry, including the European Affairs and Legal Units, and liaise with MoPF and GSG as required; or

b. **Option B.** Merge the PPU and European Affairs Unit (but not the distinct units dealing with structural funds) into one organization, with a consolidated Policy and EU Affairs Department mandated to ensure the coordination of the national and EU policy and planning processes. 

c. In advance of restructuring or if option B is chosen, establish a ministry working group chaired jointly by the heads of the PPU (or consolidated Policy and EU Affairs Department) and the Economics/Budget Unit. The working group would be mandated to prepare the ministry’s core policy and financial planning documents, and coordinate related inputs from all other parts of the ministry, including the European Affairs and Legal Units.

37. As a strengthened policy process is phased in (see recommendations 7-16), consolidate the responsibility for policy coordination and quality control of ministry public policy documents and substantiation notes in PPU, which will be mandated to review and assure the quality of all ministry policy documents and substantiation notes prior to review and approval by the Minister.

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29 These four coordinating functions are those with direct policy roles. There are additional ministry coordinating functions, such as human resources and IT, which will need to be considered as part of the organizational design. This recommendation assumes that the General Secretary position will be strengthened as per recommendations in the human resources management review.
80. Given the range in mandate and size of the ministries, it is noted that a single model will not be appropriate and that some flexibility will need to be observed. Under all models, recommendation 42 will apply, which stipulates that core policy and financial planning documents be approved by a senior management group chaired by the Minister.

### 3.6 Design and Implementation of the Reforms

81. In order to implement these recommendations, more detailed design work is necessary, as well as amendments to the *Rules of Procedure* and other legal documents. A particular challenge will be implementing the reforms that support better integration of policy and financial planning. The following recommendations are aimed at these implementation issues:

38. The GoR to establish no later than October 31, 2010, an Integrated Planning Working Group to design an integrated planning and budgeting system for implementation in 2011 for the 2012-14 Fiscal Strategy and annual budget. The group would be chaired by an Advisor to the Prime Minister and comprise senior officials and key technical
staff from GSG, MoPF, DEA, DPR and select line ministries. The Director PPD and an equivalent official from MoPF would serve as joint Secretaries to the working group and would coordinate the production of technical papers. The GSG Legal Department would support the development of any required laws or regulations.

*Note that additional steps in the financial planning process have been recommended by the IMF. In addition, related recommendations are contained in the public finance functional review. These recommendations should be considered together by the Working Group.*

39. Secure technical assistance to support the working group and public policy reform implementation.

40. Convene a special meeting of the Government no later than December 15, 2010 to review and approve the initial recommendations of the Working Group on the 2011 policy and financial planning process (for 2012-14). At this point, the working group’s mandate should be reviewed with respect to overseeing implementation and the further development of the GoR’s public policy and public finance reforms.

41. GSG to prepare revisions to the Rules of Procedure by March 31, 2011 to reflect proposals on strategic planning and annual work planning, and by December 31, 2011 on full implementation of public policy documents, an enhanced role for substantiation notes and an expanded fiscal impact assessment.

42. Establish a ministry senior management group, chaired by the Minister, to oversee the policy and financial planning process in line ministries, including the development of strategic plans, MTEF and budget documents, ministry operational plans, the public policy documents and related laws required to implement the plans, and progress reports on ministry policy and financial performance.

43. Design and deliver training programs on the policy and planning system for senior line ministry management, emphasizing their roles and responsibilities.

44. GSG, MoPF and DEA to conduct workshops on the new system for line ministry PPU’s, economic (budget) departments, European Affairs coordination units, and appropriate legal department officials.

82. Finally, the sustainability of public policy reform requires that the supporting processes and institutions be able to survive changes of government. Accordingly, the final recommendation of this report speaks to the importance of building a national consensus on the need for and shape of public policy reform in Romania.

45. Reach all-party agreement on the strategic directions of public policy reform.

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30 Depending on the decision-making approach adopted with respect to the overall project’s recommendations, this meeting may include additional issues from other functional reviews.
4. IMPLEMENTATION CHALLENGES AND RISKS

83. Public policy reforms are invariably high-risk, high-reward. The following challenges are particularly relevant to Romania.

4.1 Political Buy-In

84. At this time, there is no significant demand from the political level for public policy reform, and previous reforms have never registered at the political level. In the majority of OECD countries, the importance of “getting the policy right” is considered the primary political decision. To date, this argument has not convinced Romania’s decision makers. Part of the reason may be that policy decisions have not yet been effectively linked to financial decisions. If the money does not follow, public policy documents lose their relevance. Another reason may be the quality, length, and/or political relevance of the documents produced. If the quality of support provided to the political level is not adequate, it will not be valued. Whatever the cause of past failures, the case will need to be presented persuasively to decision makers.

4.2 Decision-Making Dynamics

85. At the political level, the Prime Minister and Minister of Public Finance are normally the guardians of the government’s fiscal and policy commitments. Although line ministers have collective responsibilities as members of the government, their primary concern is understandably the performance of their ministry. If the decision-making system continuously places the Prime Minister in the role of mediating disagreements between line ministers and the Minister of Public Finance, it will be difficult to retain fiscal discipline. Instead, a forum is required where the Prime Minister and Minister of Public Finance can create a common front and examine all major spending proposals together and in more depth rather than as a series of one-off decisions. This shifts the dynamic from one requiring a series of “yes-no” decisions to one where policy priorities must compete and trade-offs be made.

4.3 GSG and MoPF Collaboration

86. The level of technical cooperation between GSG and MoPF is quite low. With the approval of the FRL and rising pressures throughout Europe to ensure the policy agenda does not undermine the fiscal agenda, working in isolation is no longer sustainable. Threats to the Fiscal Strategy can arise from poor budgetary practices (e.g., inadequately costing public investments) or poor policy practices (e.g., approving draft laws without budgeting the multi-year cost). It is not feasible or desirable to expect MoPF to be the exclusive guardian of the Fiscal Strategy, which is equally a policy strategy. Concerted, coordinated interventions by MoPF, GSG and the political advisors to the Prime Minister and Minister of Public Finance are required. The more effective the collaboration, the greater will be the chances of making coherent policy and fiscal choices.
4.4 Line Ministry Resistance

87. Line ministries exercise significant autonomy in Romania. Correspondingly, the center has not traditionally played an extensive role in coordinating its work. In such an environment, it will be particularly important that ministers and senior management in line ministries perceive the benefits of public policy reform. If such reforms are viewed as an imposition from the center, to be delegated to the technical level, policy quality will suffer severely.

4.5 Implementation Overload

88. The pace, volume and scope of change arising from public policy and financial reforms can be overwhelming. Decision makers, whose time must also be safeguarded for other decision making and political duties, can resist the commitment required to implement fully such reforms. To avoid this, it is important to phase in the reforms in a way that does not overload the system and can demonstrate the benefits of the approach.

4.6 Reform Fatigue

89. This common problem confronts most major administrative reforms. Typically, the reform begins well; laws are drafted, procedures changed, new job descriptions approved, and training provided. Over time, however, the scope of the reform becomes evident and line ministries revert to old habits and seek short cuts. If the reform does not continue to be driven aggressively by the responsible central institution and line ministries do not see any benefits (incentives for good performance should be considered) to the reform, it will be difficult to sustain.

4.7 Insufficient Policy Capacity

90. Although this common risk is often over-rated, it can still present a challenge. Policy capacity is not a common skill and policy analysis within government requires “learning by doing.” The skills required for a good policy analyst are often transferable to other positions, so attracting and retaining candidates can be challenging.

4.8 Change of Government

91. Every public policy reform faces the risk that a change in government may slow progress or reverse gains. Consideration could be given to briefing members of opposition parties on the broader benefits to Romania of public policy reform and the broader strategic and functional review project. The President’s Office, which can also be a source of continuity, is being updated on the project’s progress.

4.9 Failure to Secure Technical Assistance

92. The scope of the proposed public policy and public finance reforms is far-reaching. Although considerable capacity exists within the Romanian public administration to design
and implement public policy and finance reforms, technical assistance will be required to support these efforts in the near to medium term.
ANNEX A: PROPOSED POLICY AND LEGAL REVIEW PROCESS

The following steps set out in the Rules of Procedure specify the routing and approval requirements for public policy documents and normative acts. Note that actual practice frequently does not follow the official process.

The Rules of Procedure (article 6) require that a public policy document (PD) precede a normative act (NA) when that act will have policy and/or fiscal impacts. Exclusions are listed (e.g., purely technical acts; transposition of EU legislation; ratification of international treaties; emergency ordinances). If strictly applied, these provisions would require the production of a large volume of PDs each year.

Draft PDs and NAs are placed on the originating ministry’s website for 30 days to fulfill the transparency requirements and, at the same time, on GSG’s website to allow for inter-ministry consultation (article 15).

After placement on the GSG website, other ministries must endorse the draft PD or NA within 3 working days. MoPF, MoJ and DEA must endorse the draft PD or NA within 4 working days following the day of registration (article 20). If a negative endorsement is received, a justifying note must be prepared by the originating ministry.

Following completion of the inter-ministry endorsement process, the originating ministry will forward the PD or NA to any other institution(s) with legally mandated endorsement responsibilities; these include the Romanian Chart of Accounts; Economic & Social Council; Supreme Council of National Defense; Competition Council; Superior Council of the Magistry (article 22).

In addition, draft NAs are forwarded to the Legislative Council, which must respond within 24 hours for draft emergency ordinances, within two days for parliamentary laws to be debated under emergency procedure, and within 10 days for other draft legislative acts (article 24). Draft NAs cannot be submitted for approval by Government without endorsement of the Legislative Council.

Prior to government approval, PDs and NAs must be reviewed at the Preparatory Meeting. The meeting agenda and related materials are circulated at least 24 hours prior to the meeting (article 36). The government meeting agenda is approved by the Prime Minister. The agenda and related materials are then circulated at least 24 hours in advance of the meeting (article 39).

If substantive amendments are made to NAs at the government meeting, the revised NA must be re-circulated to the Legislative Council and, if required, to other endorsing bodies. If they respond negatively to the amended NA, then it must be resubmitted to the Government (article 43).

GSG finalizes the NA as per the direction provided from the government meeting. The NA is then signed by the Prime Minister and countersigned by the responsible ministers within 24 hours following the Prime Minister’s signature (article 45). GSG and the originating ministry publish approved PDs on their website within 5 working days following the Prime Minister’s approval (article 46).

Current Practice

The current approach to preparing, reviewing and approving government documents encounters several problems:
In practice, there is no meaningful policy review and approval process:

- PDs are not used for government decision making;
- substantiation notes\(^{31}\) are of poor quality, are not systematically reviewed by GSG, and do not significantly influence decision-making;
- although fiscal impact assessments with a multi-year template are incorporated within the substantiation note format and reviewed by MoPF, in practice, the multi-year financial costs of implementing legislation are not determined;
- there is insufficient time at the Government Meeting, which inevitably faces a high volume of items, to review major policy issues in-depth.

The current transparency and consultation provisions, although positive in theory, are generally viewed as obstacles to be avoided rather than as a useful source of policy advice:

- the transparency procedures can produce excessive delays; for example, a public policy document and supporting normative act would require two separate 30-day reviews;
- to save time, ministries often place very early drafts of normative acts on their websites; any public comments therefore are not based on the version that will go to the government for review and approval; and
- additional mandated reviews (e.g. by the Legislative Council or other councils) create additional delays.

In practice, ministries do not have to follow the rules:

- they often bypass the preparatory meeting, submitting normative acts directly to the government meeting, often on the supplementary agenda;
- they can place an item on the government meeting agenda whether or not there has been sufficient time for review by GSG; and
- GSG is not empowered to enforce provisions concerning the preparatory meeting or deadlines for submission of material.

These practices adversely affect the quality of legislation and implementation.

**A Framework for an Improved Decision Making Process**

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\(^{31}\) The term “substantiation note” is used to describe the document that elaborates the rationale for and impacts of proposed normative acts, government decisions, and ordinances. In the governing regulations, a different term is used to describe the document that elaborates proposed normative acts.
The draft CoG review proposes far-reaching changes concerning Romania’s policy process and structures. At a more detailed, procedural level, related improvements should also be considered. The design principles of the revamped *Rules of Procedure* include:

- develop an annual government work plan by December that assigns deadlines and responsibility for producing priority public policy documents and normative acts;
- streamline the requirements for preparing public policy documents;
- shift the role of the substantiation note from a purely explanatory document that accompanies draft normative acts to a decision-making document that sets out and seeks approval for the underlying policy principles of related acts;
- improve the quality of fiscal impact assessments and the identification of multi-year implementation costs;
- require explicit policy and fiscal decisions by the government as part of the approval of normative acts;
- empower GSG to manage and coordinate a disciplined decision-making system;
- enhance the scope of MoPF’s review, including an indicative approval of multi-year costs;
- reconstitute the preparatory meeting as the key forum for policy and legal coordination and quality assurance in advance of the government meeting and a mandatory step in the process;
- modify the transparency provisions to reduce delays and provide more meaningful public input;
- modify the external consultation provisions to reduce delays and obtain input at an earlier point in the process;
- provide sufficient time for GSG and MoPF to review significant policy documents and normative acts submitted for government approval; and
- monitor and report on the implementation of the annual government work plan.

**Annual Government Work Plan**

The Annual Government Work Plan (AGWP) is intended to create an annual work plan for the priority items requiring government approval. It will be phased in over three years and will build on the work plan currently prepared by the Department for Parliamentary Relations (DPR), which tracks the implementation of commitments from the Government Program. For 2011, the AGWP will focus on normative acts that support the Fiscal Strategy and items from the Government Program or other approved strategic documents that could have significant fiscal implications, as well as the implementation of key policy and financial
commitments. For 2012-13, the AGWP will be expanded to include any significant item (e.g., public policy documents; projects of law; strategies) to be submitted to the Government for approval in the coming year. Recommendations regarding the AGWP include:

- The following deadlines should be observed in producing the AGWP (these may need to be modified for 2011):
  - GSG will issue instructions, signed by the Prime Minister, on preparation of the AGWP no later than October 15;
  - Ministries will submit their proposed items for inclusion in the AGWP no later than November 10;
  - GSG, in consultation with MoPF and DEA, will prepare a draft AGWP no later than November 30;
  - The Government will approve the AGWP no later than December 15;

- For each priority item, the AGWP should contain summary information on the document(s) required (e.g., public policy documents; normative acts), their anticipated deadlines, the responsible ministry(s), and, where relevant, their anticipated results (e.g., a fiscal savings target or milestone)\(^{32}\);

- Ministries should inform GSG of progress in implementing the AGWP on a quarterly basis no later than 10 working days following the month’s end; these reports will include any changes in meeting anticipated deadlines and any new items that meet the criteria for inclusion in the AGWP; ideally, the inclusion of new items should be rare;

- Where it is anticipated that deadlines/results targets will not be met, the responsible ministry should provide an explanation and, in consultation with GSG, indicate any remedial actions that could be taken; proposals for remedial actions will be mandatory if the problem involves a fiscal savings target;

- GSG will report quarterly to the Prime Minister on progress in implementing the AGWP no later than 20 working days following the quarter’s end; the Prime Minister, in turn, will present the report to the Government; and

- At the conclusion of the year, GSG will coordinate the preparation of an annual report for review by the Prime Minister and presentation to the Government no later than February 15 (this could be linked to the production of an annual public report on the government’s performance as recommended in the CoG report).

\(^{32}\) Results refer to the actual impact of measures following implementation (e.g., achieve fiscal savings of x in year one; produce y outputs) while milestones refer to key steps in the development, approval and implementation process (e.g., obtain government approval; introduce legislation in parliament; establish new operational unit).
Public Policy Documents (PDs)

It is proposed that a more streamlined approach, where the requirement to produce a PD is negotiated rather than prescribed, be adopted. This will allow the government to increase gradually the number of PDs that are produced annually and to ensure they support the most important issues. For 2011 and 2012, it is anticipated that only a small number will be produced annually (perhaps 5-10). Recommendations regarding PDs include:

- The requirement, deadline and responsibility for preparing PPDs will be identified and approved as part of the AGWP process;
- If an unanticipated policy issue arises during the year, the Prime Minister may request a PD and approve the related amendment to the AGWP by a Prime Minister’s decision; this decision will be reported to the Government as part of the quarterly progress report on AGWP implementation;
- In general, the requirement to produce a PD will depend on the scope and nature of the new policy being proposed or the policy changes being sought. Typically, these documents will be produced for high priority issues that are complex, costly and/or contentious;
- A public policy document will be produced and approved prior to the drafting of supporting normative act(s);
- Internal and external stakeholder consultations will be a mandatory element of the PD process (see later discussion on transparency and consultation processes);
- Public policy documents will be distinct from longer-term strategic documents (e.g., sector strategies), which will require a modified format and review/approval approach (not addressed in this paper, but this should be developed);
- The format of PDs will include an Executive Summary (maximum 3 pages) and an Analytic Document (no maximum, but should generally not exceed 30 pages);
- The format of PDs will include a separate section, “Recommended Policy Directions,” that is approved, modified or rejected by the Government; the approved wording will then be incorporated within the government decision and form the basis for preparing the draft legal act(s);
- The format of PDs will include a separate section on multi-year fiscal impact, which must be endorsed by MoPF, as well as required information for regulatory impact assessments; and
- GSG will prepare a Manual to provide guidance to ministries on standards and best practices in the preparation of PDs, drawing on the existing PD manual and related materials.
Substantiation Notes

With a more limited role envisaged for PDs, the substantiation note (SN) will become the primary policy document reviewed by decision makers. Given the extremely high volume of normative acts that are submitted for approval to the Government, a mechanism needs to be found to streamline the SN requirements. Recommendations concerning SNs include:

- A distinction should be made between two types of SNs:
  - an expanded substantiation note will be required for any item requiring government approval that has “substantive” policy and/or fiscal impacts; specific criteria will be developed to guide this determination; and
  - a basic substantiation note, which excludes the policy impact assessment, will be required for all other items except the purely technical or administrative;
- Criteria will be established to distinguish between purely technical items, those items requiring a basic SN, and those items requiring an expanded SN; when it is unclear if the criteria apply, the line ministry should discuss this with GSG;
- The ministry’s proposed approach will be communicated to GSG as part of their monthly AGWP progress report no later than one month before the deadline for submitting the normative act to the Government; GSG will be empowered to require an expanded SN when they feel that it is warranted; and
- The format of SNs will include a separate section, “Recommended Policy Directions,” which will be approved, modified or rejected by the Government; if a related PD previously received government approval, the approved policy directions should be included in this section with any additional elaborations.33

Preparatory Meeting

The preparatory meeting will assume a more prominent role in coordinating and assuring the quality of policy and legal proposals. For it to play this role, a number of changes will need to be stipulated in law and enforced in practice.

- (if feasible) The preparatory meeting agenda and all the materials for the meeting will be maintained on-line, so no formal circulation of hard copies would occur;

33 By doing this, the Government will be required to approve the policy principles that underpin each significant normative act. This also will form the basis for the GSG policy review of the act; i.e., does it align with the proposed policy directions?
• The meeting date will be set at least four, instead of two working days before the
government meeting; this will involve moving the meeting to Thursday from
Monday;

• No item, other than a true emergency item, will be placed on the government meeting
agenda unless it is first reviewed and endorsed at the preparatory meeting;

• Any non-technical (a fast-track process will exist for purely technical issues) policy or
legal item requiring government approval will be presented in two stages at the
preparatory meeting: at stage one, the item is announced and the review process
initiated; at stage two, it is reviewed by the preparatory meeting and approved for
inclusion on the government meeting agenda;

• Ministries will be required to submit non-technical items to GSG at least 12 working
days (by Tuesday) in advance of the preparatory meeting at which the item will be
reviewed; if the technology is available, all items will be submitted in PDF format;

• All items received in GSG will be reviewed by a GSG official within 24 hours (by
Wednesday) to ensure they meet the documentation requirements for a policy
proposal, normative act and/or SN; if the documentation requirements are complete,
the item will automatically be added as an agenda item for the upcoming preparatory
meeting;

• Following the announcement of the item at the preparatory meeting, it will
immediately be placed on the GSG website (in PDF format) to begin the final
endorsement process (an internal consultation will have been conducted as part of the
preparatory process);

• At the same time, GSG will initiate the formal 10 calendar day external review
process for applicable items by the Economic & Social Council; the review
requirements of other Councils (e.g., Supreme Council of National Defense;
Competition Council) will need to be determined;

• GSG, MoPF, MoJ, DEA (for EU issues), Prime Minister’s Advisors (for priority
issues) and other ministries with a direct interest in the proposal will complete their
reviews and negotiations with ministries within 8 working days (by Tuesday)
following posting of the item on the GSG website; i.e., two days in advance of the
preparatory meeting at which the item will be reviewed.

• If GSG, MoPF, MoJ, DEA or a Prime Minister’s Advisor raises a significant
objection to the proposal, then it will be removed from the agenda and rescheduled for
a subsequent preparatory meeting the following week pending resolution of the
contentious issue; similarly, if any of the councils raises a significant issue, deferral
can be considered;
If the item is reviewed and endorsed at the preparatory meeting (ministries would be expected to submit any issues in writing), then it proceeds automatically to the government meeting;

The government meeting agenda will be finalized on Monday by the Prime Minister and General Secretary of the Government.

The government meeting agenda will be compiled and the material distributed (an option is to use an electronic format) on the Tuesday morning;

except for true emergency items, no item will be added to the government meeting agenda; and

the Prime Minister will make it clear to Ministers that he has delegated the preparation of the agenda and coordination of the review process to the General Secretary of the Government and will only intervene in an extraordinary situation.

**Transparency and Consultation Provisions**

The current transparency process requires that draft policy or legal documents be placed on the originator’s website for at least 30 calendar days. Since public policy documents are intended to precede draft laws, this means that the same issue would undergo two consecutive transparency reviews; i.e., one as a PPD and one as a related normative act. To avoid such delays, ministries tend to place very early drafts on the website; accordingly, public comments are often based on documents that have since been significantly modified.

The current internal government endorsement process requires that the GSG place the originator’s document on the GSG website for 8 days to receive comments from any interested ministries and those ministries with explicit sign-off responsibilities (e.g., MoPF, MoJ). In addition, a variety of additional consultations are required by external bodies (various councils; Legislative Council) at different points in the process.

It is strongly recommended that this system be streamlined. However, it must be emphasized that revisions to the transparency legislation should only be considered if accompanied by the related measures proposed in this paper to implement a robust policy process in which external stakeholder consultations are a mandatory component. The following proposals aim to produce a more relevant process and reduce delays:

- The regulations governing the preparation of policy documents will require ministries to consult with internal and external stakeholders as part of the policy development process (a “consultation record” section will be included in the policy document format), but the resulting document will be exempt from the transparency provisions at this stage in the process;
The transparency process will proceed in two phases: in phase one, the ministry will post the initial draft of the normative act on its website at least 15 days prior to its scheduled announcement date at the preparatory meeting;

Phase two will begin following the normative act’s announcement at the preparatory meeting; this draft will immediately be posted for 15 days on the GSG website along with the related substantiation note; the ministry website will then be updated with the link to the GSG website;

If a public policy document was produced and approved prior to the preparation of a normative act, then it would be posted on the GSG website with the related normative act and substantiation note;

Neither the policy document nor the substantiation notes will be subject to the transparency process (i.e., comments should concern the draft normative act), but will be provided for information and transparency purposes;

At the conclusion of the 30-day process, the originating ministry will review the comments and determine, in consultation with GSG, if any subsequent changes to the policy or legal documents should be considered;

If the ministry agrees that substantive revisions are required, the draft normative act will be withdrawn from the government meeting agenda and resubmitted at a future preparatory meeting.

In addition to the transparency process, most documents must undergo additional mandatory consultations with various external councils. The following is recommended to streamline this process:

Ministries are encouraged to consult other consultative bodies with policy advisory mandates (e.g., Economic & Social Council) assuming those bodies are willing, during the policy development phase as part of the mandatory external consultations;

A second, formal consultation occurs (criteria can be developed to limit the volume of documents submitted for this type of review) following announcement of the document at the preparatory meeting;

The review by the Legislative Council occurs once the final document for submission to the government meeting has been drafted; wherever feasible, this review is completed prior to the next government meeting.

Note that these procedures will need to be modified or expanded to accommodate the requirements of the new Fiscal Council. GSG and MoPF should consult on how best to meet these demands. The result of all these changes would be a more simplified and meaningful transparency and consultation process. The table below illustrates how this might work in practice.
### Indicative Calendar for Policy and Legal Reviews

| INDICATIVE CALENDAR | Tu | W | T h | F | Sa | S u | M | T u | W | T h | F | Sa | S u | M | T u | W | T h | F | Sa | S u | M | T u | W | T h | F | Sa | S u | M | T u | W | T h | F | Sa | S u | M |
|---------------------|----|---|-----|--|----|----|--|----|---|-----|--|----|----|--|----|---|-----|--|----|----|--|----|---|-----|--|----|----|--|----|---|-----|--|----|----|--|----|---|
| 1 OM finalizes NA/SN |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 2 OM submits to GSG |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 3 GSG authorizes item |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 4 OM announces at PMT |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 5 GSG posts on website |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 6 internal endorsement |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 7 review by Councils |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 8 finalize PMT agenda |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 9 PMT endorses item |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 10 Legislative Council review |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 11 prepare GMT agenda |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 12 GS/PM finalize agenda |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 13 distribute agenda, docs. |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 14 GMT |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 15 finalize GMT decisions |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 16 GSG alerts councils* |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 17 council reviews* |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 18 phase two transparency |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 19 OM, GSG review results |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |
| 20 GSG submits to Gazette |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |     |  |    |    |  |    |   |

GMT=Government Meeting; GS=General Secretary of Gov’t; NA=Normative Act; OM=Originating Ministry; PM=Prime Minister; PMT=Preparatory Meeting; SN=Substantiation Note

*if directed by government (only if major changes result)
ANNEX B: INDICATIVE INTEGRATED POLICY & FINANCIAL PLANNING CALENDAR

<table>
<thead>
<tr>
<th>Deadline</th>
<th>Action</th>
<th>Resp.</th>
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</table>
| Jan. 10  | Prepare Policy Priorities Note  
  • This note will be an analytical document that proposes options regarding which policy priorities the government could pursue in developing its Fiscal Strategy.  
  Prepare preliminary macro/fiscal framework including fiscal parameters to be followed in developing ministry strategic plans  
  • This step is the formal start of the Fiscal Strategy process; essentially, it is a concept paper that proposes the key fiscal policies and parameters, including indicative ceilings for primary budget holders based on the previous year’s forward estimates that should guide preparation of the Fiscal Strategy as well as ministry strategic plans. | GSG, MoPF |
| Jan. 15  | ‘Ministerial Committee* (‘MC’) reviews Policy Priorities Note and fiscal parameters for preparing ministry strategic plans  
  * ‘Ministerial Committee’ refers to whichever form of committee is established (recommendation 3) | ‘MC’ |
| Jan. 21  | Fiscal Council comments on Policy Priorities Note and fiscal parameters for preparing ministry strategic plans | FC |
| Jan. 29  | Government approves Policy Priorities Note and fiscal parameters for preparing ministry strategic plans | Gov’t Mtg. |
| Feb. 2   | Issue Fiscal Strategy and Strategic Planning instructions to ministries  
  • Ideally, these instructions should be issued jointly; however, if issued separately, the content and timing should be closely coordinated.  
  • These instructions will include indicative ceilings to inform the strategic planning exercise. | MoPF, GSG |
| March 31 | Submit draft strategic plans, including requirements for the fiscal strategy, to GSG and MoPF  
  Update the macro/fiscal forecast (as per Law 500) | Ministries, MoPF |
| April 15 | Sector Groups review the draft strategic plans and provide comments | Sector Groups |
| April 21 | MoPF finalizes the draft Fiscal Strategy | MoPF |
| April 28 | MC reviews draft Fiscal Strategy including sector roll-ups, determines specific priority initiatives (could be savings measures or new initiatives) | MC |
| May 5    | Fiscal Council reviews the Fiscal Strategy | FC |
| May 15   | Submit the Fiscal Strategy to the government for approval (as per the FRL) | MoPF |
| May 30   | Submit the Fiscal Strategy to Parliament (as per FRL) | MoPF |
| June 15  | Parliamentary hearing and approval of the fiscal strategy | Parliament |

34 This calendar will need to be further elaborated to reflect the requirements related to the European semester, which require advance review of proposed budgets and key programs, such as social inclusion and employment, by the European Council.
Note: There is no firm date by which the Parliament must approve the Fiscal Strategy. If the decision by Parliament requires some changes that affect the budget of spending agencies and ministry strategic plans, a supplementary circular should be issued.

| June 16 | Issue the Budget Circular, including expenditure ceilings for each spending agency.  
|         | This should involve specific expenditure limits or other restrictions on the development of new proposals, instructions to prepare savings proposals, or other specific initiatives. |
|         | Issue instructions for updating ministry strategic plans.  
|         | These instructions are ideally issued as part of the budget circular, or at least at the same time. |
| MoPF    |

| Aug. 1  | Submit Budget proposals and revised strategic plans to MoPF and GSG |
| Ministries and other Spending Agencies |

| August  | Review budget proposals and draft budget memoranda with recommendations to MC |
| MoPF/GSG |

| Sept. 1 | ‘MC’ reviews budget proposals |
| ‘MC’ |
| Sept. 7 | Prepare draft Budget |
| MoPF |
| Sept. 15 | Fiscal Council reviews draft Budget |
| FC |
| Sept. 25 | Finalize draft Budget |
| MoPF |
| Oct. 10 | Government approves draft Budget |
| Gov’t. Mtg. |
| Oct. 15 | Submit Budget to Parliament |
| MoPF |
| Oct. 22 | Issue instructions on annual work plan (including legislative plan) |
| GSG |
| Nov. 19 | Ministries submit annual work plan proposals |
| Spending Agencies |
| Dec. 9 | Prepare draft annual work plan |
| GSG |
| Dec. 21 | Approve annual work plan |
| ‘MC’ Gov’t. Mtg. |
| Dec. 28 | Approve Budget |
| Parliament |
| Jan. 15 | Ministries make final adjustments to strategic plans if necessary to reflect approved Budget |
| Ministries |
ANNEX C: DATA COLLECTION

TABLE A1: PROFILE OF THE GSG ................................................................. 55
TABLE A2: PROFILE OF AGENCIES REPORTING TO THE GSG OR PRIME MINISTER ................................................................. 57
TABLE A3: NUMBER OF COUNCIL OF MINISTERS/GOVERNMENT MEETINGS .................................................................................. 60
TABLE A4: COUNCIL OF MINISTERS/GOVERNMENT WORK VOLUMES BY TYPE OF ITEM ................................................................. 60
TABLE A5: ANALYSIS OF GOVERNMENT DECISIONS BY TYPE ............................................................................................................ 61
TABLE A6: COUNCIL OF MINISTERS AGENDA: REGULAR VS. SUPPLEMENTARY ITEMS ........................................................................... 62
TABLE A7: COMPARATIVE ASSESSMENT WITH REGULAR AGENDA ITEMS ........................................................................................ 63
TABLE A8: ORIGINATORS OF SUPPLEMENTARY AND REGULAR AGENDA ITEMS ............................................................................ 64
TABLE A9: PREPARATORY MEETINGS VS. REGULAR MEETINGS – ANNOUNCEMENT OF REGULAR AGENDA ITEMS ............................................ 65
TABLE A10: TASKS ASSIGNED BY GOVERNMENT ................................................................................................................................. 67
TABLE A11: PUBLIC POLICY & STRATEGY DOCUMENTS PREPARED SINCE JANUARY 1, 2009 ................................................................. 69
TABLE A12: ASSESSMENT OF SUBSTANTIATION NOTES .......................................................................................................................... 69
TABLE A13: ASSESSMENT OF PREPARATION AND REVIEW OF MINISTRY STRATEGIC PLANS ................................................................. 72
TABLE A14: PREPARATION OF RESPONSES TO EU DOCUMENTS/LAWS .................................................................................................. 72
TABLE A15: ASSESSMENT OF EMERGENCY ORDINANCES ......................................................................................................................... 75
TABLE A16: LAWS WITH UNFUNDED MANDATES AFFECTED BY EMERGENCY ORDINANCES ................................................................. 79
TABLE A17: IMPLEMENTATION OF GOVERNMENT’S ANNUAL LEGISLATIVE PROGRAM, 2009 ................................................................ 80
TABLE A18: PARLIAMENTARY REVIEW OF ORDINANCES .......................................................................................................................... 80
TABLE A19: PROJECTS OF LAW APPROVED BY THE SENATE IN 2009 ..................................................................................................... 80
Table A1: Profile of the GSG

<table>
<thead>
<tr>
<th>Functional Grouping</th>
<th>Department</th>
<th>Total No of Staff in Post*</th>
<th>Total Number of Budgeted positions*</th>
<th>Sub Departments Included</th>
<th>Comments</th>
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<td>Sub Departments Included: Preventive control compartment, Financial Service, Accounting Service</td>
<td>General Secretary has the rank of a minister</td>
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<td></td>
<td>Meetings Preparation</td>
<td></td>
<td></td>
<td></td>
<td>-----------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Legal Directorate</td>
<td>20</td>
<td>24</td>
<td>Sub Departments Included: Legal Service, Normative Acts Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-----------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Directorate for Governmental</td>
<td>24</td>
<td>26</td>
<td>Sub Departments Included: Service for cooperation with NGOs, institutional transparency and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strategies</td>
<td></td>
<td></td>
<td>public communication</td>
<td>This is the former Agency for Governmental Strategies, transferred from former Chancellery</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-----------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Audit-control-related functions</td>
<td>Compartment for Governmental inspectors</td>
<td>72</td>
<td>77</td>
<td>Service for Social Diagnosis and Governmental Strategies</td>
<td>All are high ranking civil servants, mainly former prefects/deputy prefects.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
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<tr>
<td>Audit Compartment</td>
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</tr>
<tr>
<td>Control Compartment</td>
<td>6</td>
<td>7</td>
<td></td>
<td></td>
<td>Established in February 2010.</td>
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<tr>
<td>PR related</td>
<td>Department for Communications and Spokesperson of the Government</td>
<td>18</td>
<td>19</td>
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</tr>
<tr>
<td>Public relations Directorate</td>
<td>20</td>
<td>20</td>
<td>Communication and relations with citizens Service</td>
<td>Transferred from former Chancellery</td>
<td></td>
</tr>
<tr>
<td>Compartment for International Relations, High Representatives and Protocol</td>
<td>20</td>
<td>25</td>
<td>International relations</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>High Representative for Child protection</td>
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<td></td>
<td></td>
<td>High Representative for Republic of Moldova</td>
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<td></td>
<td></td>
<td>High Representative for Sustainable Development</td>
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<td></td>
<td></td>
<td></td>
<td>Protocol</td>
<td></td>
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<tr>
<td>Other</td>
<td>Programs and Projects Service</td>
<td>9</td>
<td>10</td>
<td>Transferred from former Chancellery.</td>
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<tr>
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<td>22</td>
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<td>Compartment for Protection of Classified Information</td>
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<td></td>
<td></td>
<td></td>
<td>Compartment Classified Archives records and technical support to Government Meetings</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Compartment for National Security</td>
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<tr>
<td>Total Staff</td>
<td>370</td>
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* As of June 25, 2010
<table>
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<tr>
<th>Organization</th>
<th>Reports To</th>
<th>Budgetary Relationship</th>
<th>2010 Budget (‘000s lei)</th>
<th>Total No of Staff in Post*</th>
<th>Total Number of Budgeted positions*</th>
<th>Agency Mandate</th>
</tr>
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<tbody>
<tr>
<td>Working Apparatus of the Prime Minister</td>
<td>PM</td>
<td>Part of GSG Budget</td>
<td>In GSG budget</td>
<td>34</td>
<td>100</td>
<td>Provides day to day support to the PM</td>
</tr>
<tr>
<td>Working Apparatus of the Deputy Prime Minister</td>
<td>DPM</td>
<td>Part of GSG Budget</td>
<td>In GSG budget</td>
<td>19</td>
<td>23</td>
<td>Provides day to day support to the DPM</td>
</tr>
<tr>
<td>Fight against Fraud Department – DLAF</td>
<td>PM</td>
<td>Part of GSG Budget</td>
<td>In GSG budget</td>
<td>54</td>
<td>55</td>
<td>Protects the financial interests of the EU in Romania through managing EU funds in Romania and being the national coordinator for the fight against fraud (on the spot controls, coordination of antifraud activities, cooperation with OLAF – the EU anti-fraud office)</td>
</tr>
<tr>
<td>Prime Minister’s Control Corpus</td>
<td>PM</td>
<td>Part of GSG Budget</td>
<td>In GSG budget</td>
<td>64</td>
<td>64</td>
<td>Monitors the way different activities with access to public resources are carried out (the proposal that the EO determine resource allocations was rejected in Parliament by law 379/2009)</td>
</tr>
<tr>
<td>Department for interethnic relations</td>
<td>DPM</td>
<td>Part of GSG Budget</td>
<td>In GSG budget</td>
<td>29</td>
<td>30</td>
<td>Promotes cultural, ethnic and language diversity, prevents and fights racism and xenophobia, cultivates common values and intercultural dialogue with the purpose of protecting minority rights in Romania</td>
</tr>
<tr>
<td>Department for European Affairs</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>24,230</td>
<td>118</td>
<td>154</td>
<td>Central authority for coordination of EU affairs (mandates, country position in relation to the acquis, endorsement of draft proposals stemming from EU legislation)</td>
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<tr>
<td>Department for Relation with Parliament</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>3,575</td>
<td>54</td>
<td>65</td>
<td>Ensures the constitutional relationship between Government and Parliament (endorsement of EOs, Government’s position on MPs’ initiatives, managing the legislative program)</td>
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<tr>
<td>Department for Romanians abroad</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>9,884</td>
<td>27</td>
<td>36</td>
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<td>State Secretariat for Cults</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>336,041</td>
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<td>Authority Level</td>
<td>Spending Authority</td>
<td>Spending Amount</td>
<td>Year</td>
<td>Description</td>
</tr>
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<td>--------------------</td>
<td>----------------</td>
<td>------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>10</td>
<td>National Council for Contestations</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>8,243</td>
<td>97</td>
<td>Solves contestations during public procurement procedures, before a contract has been signed</td>
</tr>
<tr>
<td>11</td>
<td>National Authority for Regulating and Monitoring Public Procurement</td>
<td>GSG</td>
<td>Tertiary Authority</td>
<td>na</td>
<td>93</td>
<td>Promotes and formulates the government’s policy in the field of public procurement (elaboration of strategy, regulating procedures, monitoring implementation of public procurement policy)</td>
</tr>
<tr>
<td>12</td>
<td>The Office of the National Register for Classified Information</td>
<td>GSG</td>
<td>Primary Authority</td>
<td>na</td>
<td>101</td>
<td>Regulates, authorizes and controls the protection of classified information</td>
</tr>
<tr>
<td>13</td>
<td>Authority for State’s Assets recovery (AVAS)</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>44,490</td>
<td>272</td>
<td>Acts as state shareholder in managing, restructuring or privatizing/ liquidating national companies as well as all other state companies administered by the Ministry of Economy</td>
</tr>
<tr>
<td>14</td>
<td>Institute for studying Minority issues</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>na</td>
<td>29</td>
<td>Studies the preservation of ethnic identities and values</td>
</tr>
<tr>
<td>15</td>
<td>Institute for Investigation of Communism Crimes and Memory of Romanian Exile</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>3,415</td>
<td>38</td>
<td>Analyzes in a scientific manner the memory of the communist regime in Romania and its consequences</td>
</tr>
<tr>
<td>16</td>
<td>National Agency for Mineral Resources</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>20,124</td>
<td>100</td>
<td>Manages petrol and mineral resources and the geological environment; negotiates agreements, licenses and permits; regulates petrol operations; establishes the reference price for the petrol extracted from Romania; regulates different activities in the field</td>
</tr>
<tr>
<td>17</td>
<td>National Agency for Roma</td>
<td>GSG</td>
<td>Tertiary Authority</td>
<td>42,270</td>
<td>28</td>
<td>Coordinates, monitors and evaluates measures included in the Strategy for improving Roma conditions. It promotes projects and programs in this area. It ensures complementarity of policies in this field.</td>
</tr>
<tr>
<td>18</td>
<td>National Anti-Doping Agency</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>No info</td>
<td>54</td>
<td>Prevents and fights drug abuse by approving and implementing strategies in the field; encourages “clean” sport and fair play in sporting activities; promotes and supports anti-doping research</td>
</tr>
<tr>
<td>19</td>
<td>National Commission for control of nuclear activities</td>
<td>PM</td>
<td>Tertiary Authority</td>
<td>23,415</td>
<td>104</td>
<td>Regulates, authorizes and controls nuclear activities in Romania</td>
</tr>
<tr>
<td></td>
<td>National Commission for Hospital accreditation</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>na</td>
<td>31</td>
<td>60</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------</td>
<td>----</td>
<td>------------------------------</td>
<td>----</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>21</td>
<td>National Institute for Statistics</td>
<td>GSG</td>
<td>Secondary Spending Authority</td>
<td>145,511</td>
<td>1,549</td>
<td>1,854</td>
</tr>
<tr>
<td>22</td>
<td>National Regulating Authority for Energy Field</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>29,378</td>
<td>243</td>
<td>275</td>
</tr>
<tr>
<td>23</td>
<td>Romanian Office for Adoption</td>
<td>PM</td>
<td>Tertiary Spending Authority</td>
<td>2,856</td>
<td>32</td>
<td>35</td>
</tr>
<tr>
<td>24</td>
<td>National Authority for Sanitary, Veterinary and Food Security</td>
<td>PM</td>
<td>Primary Spending Authority</td>
<td>na</td>
<td>na</td>
<td>2998</td>
</tr>
<tr>
<td>25</td>
<td>National Office for the Prevention &amp; Control of Money Laundering</td>
<td>PM</td>
<td>Primary Spending Authority</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>

* As of June 25, 2010
Table A3: Number of Council of Ministers/Government Meetings

<table>
<thead>
<tr>
<th>Item</th>
<th>2008</th>
<th>2009</th>
<th>2010 (1st Q)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Council of Ministers meetings</td>
<td>53</td>
<td>78</td>
<td>15</td>
</tr>
</tbody>
</table>

Table A4: Council of Ministers/Government Work Volumes by Type of Item

<table>
<thead>
<tr>
<th>Item</th>
<th>2008</th>
<th>2009</th>
<th>2010 (1st Q)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects of Law</td>
<td>94</td>
<td>64*</td>
<td>24</td>
</tr>
<tr>
<td>Emergency Ordinances</td>
<td>228</td>
<td>111</td>
<td>30</td>
</tr>
<tr>
<td>Simple Ordinances</td>
<td>28</td>
<td>27</td>
<td>14</td>
</tr>
<tr>
<td>Public Policy Documents</td>
<td>21</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Government Decisions</td>
<td>1721</td>
<td>1635</td>
<td>331</td>
</tr>
<tr>
<td>Memoranda</td>
<td>261</td>
<td>315</td>
<td>90</td>
</tr>
<tr>
<td>Notes</td>
<td>238</td>
<td>202</td>
<td>59</td>
</tr>
</tbody>
</table>

* There is some discrepancy between the number of projects of law for 2009 shown in table A4 and in table A17 as they have been provided by different sources. The GSG has not been able to reconcile the data.
Table A5: Analysis of Government Decisions by Type  
(For first 9 months of 2009)

<table>
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<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Public Finance</td>
<td>3</td>
<td>17</td>
<td>5</td>
<td>8</td>
<td>14</td>
<td></td>
<td></td>
<td>47</td>
<td>4.4%</td>
</tr>
<tr>
<td>Ministry of Defence</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>26</td>
<td>1</td>
<td></td>
<td></td>
<td>34</td>
<td>3.2%</td>
</tr>
<tr>
<td>Ministry of Administration and Interior</td>
<td>1</td>
<td>6</td>
<td>10</td>
<td>2</td>
<td>419</td>
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<td></td>
<td>439</td>
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<td>Ministry of Economy</td>
<td>2</td>
<td>8</td>
<td>10</td>
<td>6</td>
<td>1</td>
<td>5</td>
<td></td>
<td>38</td>
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<tr>
<td>Ministry of SME, Trade and Business Environment</td>
<td>4</td>
<td></td>
<td></td>
<td>5</td>
<td></td>
<td>3</td>
<td></td>
<td>12</td>
<td>1.1%</td>
</tr>
<tr>
<td>Ministry of Transport and Infrastructure</td>
<td>8</td>
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<td>44</td>
<td>72</td>
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<td>Ministry of Regional Development and Housing</td>
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<td>3</td>
<td>7</td>
<td>3</td>
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<td></td>
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<td>5</td>
<td>36</td>
<td>7</td>
<td>16</td>
<td>2</td>
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<td>Ministry of Foreign Affairs</td>
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<td>1</td>
<td></td>
<td></td>
<td></td>
<td>15</td>
<td>1.4%</td>
</tr>
<tr>
<td>Ministry of Justice</td>
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<td>3</td>
<td>2</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td>31</td>
<td>2.9%</td>
</tr>
<tr>
<td>Ministry of Labour, Social Protection and Family</td>
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<td></td>
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<td>7</td>
<td>2</td>
<td>9</td>
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<td>10</td>
<td>2</td>
<td></td>
<td>23</td>
<td>2.1%</td>
</tr>
<tr>
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<td>2</td>
<td>8</td>
<td></td>
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<td>2</td>
<td>3</td>
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<td>9</td>
<td>18</td>
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<td></td>
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<td>0.2%</td>
</tr>
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<td>Special Communications Service</td>
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<tr>
<td>Parliament - Chamber of Deputies</td>
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</tr>
<tr>
<td>Consiliul Concurentei</td>
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<tr>
<td>Banca Nationala a Romania</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>10</td>
<td>61</td>
<td>166</td>
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<tr>
<td><strong>%</strong></td>
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<td>5.7%</td>
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<tr>
<td></td>
<td>9.7%</td>
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<td>3.4%</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table A6: Council of Ministers Agenda: Regular vs. Supplementary Items
February 2009 compared to February 2010

<table>
<thead>
<tr>
<th>#</th>
<th>Meeting Date</th>
<th>Total Items</th>
<th>Of which:</th>
<th>Sup. Items as % of Total</th>
<th>#</th>
<th>Meeting Date</th>
<th>Total Items</th>
<th>Of which:</th>
<th>Sup. Items as % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Regular Items</td>
<td>Supplementary Items</td>
<td></td>
<td></td>
<td>Regular Items</td>
<td>Supplementary Items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>05.02.2009</td>
<td>51</td>
<td>46</td>
<td>5</td>
<td>9.8%</td>
<td>1</td>
<td>122</td>
<td>121</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>18.02.2009</td>
<td>53</td>
<td>50</td>
<td>3</td>
<td>5.7%</td>
<td>2</td>
<td>46</td>
<td>42</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>25.02.2009</td>
<td>123</td>
<td>110</td>
<td>13</td>
<td>10.6%</td>
<td>3</td>
<td>64</td>
<td>56</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>11.02.2009 (?)</td>
<td>28</td>
<td>26</td>
<td>2</td>
<td>7.1%</td>
<td>4</td>
<td>68</td>
<td>53</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>255</strong></td>
<td><strong>232</strong></td>
<td><strong>23</strong></td>
<td><strong>9.0%</strong></td>
<td><strong>Total</strong></td>
<td><strong>300</strong></td>
<td><strong>272</strong></td>
<td><strong>28</strong></td>
</tr>
</tbody>
</table>

*NOTE this figure does not fully reconcile with figure on Table A8.
# Table A7: Comparative Assessment with Regular Agenda Items
(first 25 regular agenda items from February 2010 Government Meetings)

<table>
<thead>
<tr>
<th>#</th>
<th>Approval Date</th>
<th>Regular Agenda Item</th>
<th>Gazette Date</th>
<th>Business days between Approval and Gazette Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>05.02</td>
<td>GD no 78 – to attest public domain Vaslui county</td>
<td>17.02</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>05.02</td>
<td>GD no 79 – to establish a commission for monitoring the progress of judicial system reform and anticorruption</td>
<td>15.02</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>05.02</td>
<td>GD 80 – temporary appointment of a deputy prefect</td>
<td>05.02</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>05.02</td>
<td>GD 81 – organization and functioning of the Ministry of Education</td>
<td>09.02</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>05.02</td>
<td>GD 82 – approval of the 2010 budget for the Environment Fund and Administration of the Environment Fund and the list of projects financed through the Environment Fund in 2010</td>
<td>09.02</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>05.02</td>
<td>GD 83 – approval of the organization and functioning of the National Registry of Commerce and its offices</td>
<td>18.02</td>
<td>9</td>
</tr>
<tr>
<td>7</td>
<td>05.02</td>
<td>GD 84 – approval of payments of Romania to the High level representative of Bosnia and Herzegovina</td>
<td>17.02</td>
<td>8</td>
</tr>
<tr>
<td>8</td>
<td>05.02</td>
<td>GD 85 – to allocate an amount from the Government budgetary reserve fund to Botosani county</td>
<td>12.02</td>
<td>5</td>
</tr>
<tr>
<td>9</td>
<td>05.02</td>
<td>GD 86 – approval of public domain</td>
<td>17.02</td>
<td>8</td>
</tr>
<tr>
<td>10</td>
<td>05.02</td>
<td>GD 87 – adjustments to the National Program for medical, psychological and social assistance of drug addicts 2009-2012</td>
<td>12.02</td>
<td>5</td>
</tr>
<tr>
<td>11</td>
<td>05.02</td>
<td>GD 88 – approval of budgets for some economic operators under the authority of the Ministry of Transport</td>
<td>15.02</td>
<td>6</td>
</tr>
<tr>
<td>12</td>
<td>05.02</td>
<td>GD 89 – methodological norms for protecting the rights of handicapped persons</td>
<td>15.02</td>
<td>6</td>
</tr>
<tr>
<td>13</td>
<td>05.02</td>
<td>EO 3 – adjustment to the water management law*</td>
<td>19.02</td>
<td>10</td>
</tr>
<tr>
<td>14</td>
<td>05.02</td>
<td>EO 5 – establishment and functioning of the National Authority for Citizenship*</td>
<td>15.02</td>
<td>6</td>
</tr>
<tr>
<td>15</td>
<td>10.02</td>
<td>GD 91 – approval of symbols for some villages</td>
<td>19.02</td>
<td>7</td>
</tr>
<tr>
<td>16</td>
<td>10.02</td>
<td>GD 92 – approval of the date for local elections</td>
<td>12.02</td>
<td>2</td>
</tr>
<tr>
<td>17</td>
<td>10.02</td>
<td>GD 93 – schedule for local elections</td>
<td>12.12</td>
<td>2</td>
</tr>
<tr>
<td>18</td>
<td>10.02</td>
<td>GD 94 – declassification of some secret information issued by the Ministry of Defense</td>
<td>16.02</td>
<td>4</td>
</tr>
<tr>
<td>19</td>
<td>10.02</td>
<td>GD 95 – approval of the list with different state companies under the Ministry of Economy where collective dismissing is schedule for 2010 and the respective social measures</td>
<td>15.02</td>
<td>3</td>
</tr>
<tr>
<td>20</td>
<td>10.02</td>
<td>GD 96 – approval of the budget for the National Roads Company under the authority of the Ministry of Transport</td>
<td>16.02</td>
<td>4</td>
</tr>
<tr>
<td>21</td>
<td>10.02</td>
<td>GD 97 – public domain of Prahova county</td>
<td>24.02</td>
<td>10</td>
</tr>
<tr>
<td>22</td>
<td>10.02</td>
<td>GD 98 – establishment of the inter-ministerial committee for implementation of the policy regarding state support</td>
<td>17.02</td>
<td>5</td>
</tr>
<tr>
<td>23</td>
<td>10.02</td>
<td>EO 4 – social protection measures*</td>
<td>10.02</td>
<td>0</td>
</tr>
<tr>
<td>24</td>
<td>10.02</td>
<td>EO 6 – preventing and fighting drug abuse*</td>
<td>15.02</td>
<td>3</td>
</tr>
<tr>
<td>25</td>
<td>10.02</td>
<td>GD 99 – approval of the National Defense College’s organization of a course on European Security and Defense Policy</td>
<td>17.02</td>
<td>5</td>
</tr>
</tbody>
</table>

Average 5.04 days

* Emergency Ordinances included on regular agenda
### Table A8: Originators of Supplementary and Regular Agenda Items

<table>
<thead>
<tr>
<th>Ministry/Originator</th>
<th>From February 2010 Government Meetings</th>
<th>From May 2010 Government Meetings</th>
<th>Total Items for February and May</th>
<th>Supp’y Items as % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regular Items</td>
<td>Supplementary Items</td>
<td>Regular Items</td>
<td>Supplementary Items</td>
</tr>
<tr>
<td>Administration &amp; the Interior</td>
<td>25</td>
<td>4</td>
<td>38</td>
<td>0</td>
</tr>
<tr>
<td>Public Finance</td>
<td>6</td>
<td>1</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Economy, Trade &amp; Business Environment</td>
<td>6</td>
<td>0</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Transportation &amp; Infrastructure</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>General Secretariat of Government</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Environment &amp; Forests</td>
<td>6</td>
<td>1</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Regional Development &amp; Tourism</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Justice</td>
<td>5</td>
<td>0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Labour, Family &amp; Social Protection</td>
<td>4</td>
<td>0</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Public Health</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Communication &amp; Information Society</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Foreign Affairs</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Education, Research, Youth &amp; Sports</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>National Defence</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Agriculture &amp; Rural Development</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Culture &amp; National Heritage</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>7</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>73</strong></td>
<td><strong>21</strong></td>
<td><strong>103</strong></td>
<td><strong>21</strong></td>
</tr>
</tbody>
</table>

*NOTE this figure does not fully reconcile with figure on

Table A6.
### Table A9: Preparatory Meetings vs. Regular Meetings – Announcement of Regular Agenda Items
(For first 25 regular Agenda items at government meetings during February 2010, date at which the items was Announced at the Preparatory meeting.)

<table>
<thead>
<tr>
<th>#</th>
<th>Date Announced</th>
<th>Item</th>
<th>Date of Gov’t Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not Announced (NA)</td>
<td>GD no 78 – to attest public domain Vaslui county</td>
<td>05.02</td>
</tr>
<tr>
<td>2</td>
<td>NA</td>
<td>GD no 79 – to establish a commission for monitoring the progress of judicial system reform and anticorruption</td>
<td>05.02</td>
</tr>
<tr>
<td>3</td>
<td>NA</td>
<td>GD 80 – temporary appointment of deputy prefect</td>
<td>05.02</td>
</tr>
<tr>
<td>4</td>
<td>NA</td>
<td>GD 81 – organization and functioning of Ministry of Education</td>
<td>05.02</td>
</tr>
<tr>
<td>5</td>
<td>NA</td>
<td>GD 82 – approval of the 2010 budget for the Environment Fund and Administration of the Environment Fund and list of projects financed through the Environment Fund in 2010</td>
<td>05.02</td>
</tr>
<tr>
<td>6</td>
<td>NA</td>
<td>GD 83 – approval of the organization and functioning of the National Registry of Commerce and its offices</td>
<td>05.02</td>
</tr>
<tr>
<td>7</td>
<td>22.09.2009</td>
<td>GD 84 – approval of payments of Romania to the High level representative of Bosnia and Herzegovina</td>
<td>05.02</td>
</tr>
<tr>
<td>8</td>
<td>NA</td>
<td>GD 85 – to allocate an amount from the Government budgetary reserve fund to Botosani county</td>
<td>05.02</td>
</tr>
<tr>
<td>9</td>
<td>NA</td>
<td>GD 86 – approval of public domain of a county</td>
<td>05.02</td>
</tr>
<tr>
<td>11</td>
<td>21.12.09 – 22.12.2009 – prep meeting</td>
<td>GD 88 – approval of budgets for some economic operators under the authority of the Ministry of transport</td>
<td>05.02</td>
</tr>
<tr>
<td>12</td>
<td>NA</td>
<td>GD 89 – methodological norms for protection the rights of handicapped persons</td>
<td>05.02</td>
</tr>
<tr>
<td>13</td>
<td>NA</td>
<td>EO 3 – adjustment to water management law</td>
<td>05.02</td>
</tr>
<tr>
<td>14</td>
<td>NA</td>
<td>EO 5 – establishment and functioning of the National Authority for Citizenship</td>
<td>05.02</td>
</tr>
<tr>
<td>15</td>
<td>NA</td>
<td>GD 90 – organizing and functioning of Ministry of Culture</td>
<td>10.02</td>
</tr>
<tr>
<td>16</td>
<td>NA</td>
<td>GD 91 – approval of symbols for some villages</td>
<td>10.02</td>
</tr>
<tr>
<td>17</td>
<td>NA</td>
<td>GD 92 – approval of the date for local elections</td>
<td>10.02</td>
</tr>
<tr>
<td>18</td>
<td>NA</td>
<td>GD 93 – schedule for local elections</td>
<td>10.02</td>
</tr>
<tr>
<td>19</td>
<td>NA</td>
<td>GD 94 – declassification of some secrete information issued by Ministry of Defence</td>
<td>10.02</td>
</tr>
<tr>
<td>20</td>
<td>21.01 transparency 28.01 prep meeting</td>
<td>GD 95 – approval of the list with different state companies under Ministry of Economy where collective dismissing is schedule for 2010 and the respective social measures</td>
<td>10.02</td>
</tr>
<tr>
<td></td>
<td>13.01 transparency</td>
<td>GD 96 – approval of the budget for the National Roads Company under the authority of the Ministry of Transport</td>
<td>10.02</td>
</tr>
<tr>
<td>---</td>
<td>-------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>22</td>
<td>NA</td>
<td>GD 97 – public domain of Prahova county</td>
<td>10.02</td>
</tr>
<tr>
<td>23</td>
<td>NA</td>
<td>GD 98 – establishment of the inter-ministerial committee for implementation of the policy regarding state support</td>
<td>10.02</td>
</tr>
<tr>
<td>24</td>
<td>NA</td>
<td>EO 4 – social protection measures</td>
<td>10.02</td>
</tr>
<tr>
<td>25</td>
<td>NA</td>
<td>EO 6 – preventing and fighting drug abuse</td>
<td>10.02</td>
</tr>
</tbody>
</table>
Table A10: Tasks Assigned by Government
(Tasks assigned at one of the Government meetings held in February 2010)

<table>
<thead>
<tr>
<th>#</th>
<th>Date Task Assigned</th>
<th>Task</th>
<th>Responsible Ministry</th>
<th>Deadline for Task</th>
<th>Date Task Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>05.02</td>
<td>Submission of a draft normative act to adjust current legislation</td>
<td>Ministry of Health</td>
<td>10.02.2010</td>
<td>10.02.2010, the EO regarding this has been approved</td>
</tr>
<tr>
<td></td>
<td></td>
<td>regarding the prohibition of some plants (in relation to easy drugs)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>05.02</td>
<td>Presentation of a report regarding the activities of the commission</td>
<td>Ministry of Justice</td>
<td>Monthly</td>
<td>On 27.04 MJ said the report has been elaborated, will be updated and sent to GSG</td>
</tr>
<tr>
<td></td>
<td></td>
<td>for monitoring progress in judicial reform and the fight against</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>corruption as well as the way ministries implemented the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>commission's decisions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>05.02</td>
<td>Ministries involved in fulfilling the conditionalities of the IMF,</td>
<td>All ministries involved</td>
<td>10.02.2010</td>
<td>On 23.02 a EO has been approved containing terms of the conditionalities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>EC and World Bank agreement will prepare a timeline regarding</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>elaboration, endorsement and submission for approval of all</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>normative act proposals needed for the agreement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>05.02</td>
<td>Presentation of the draft law of national Education, before starting</td>
<td>Ministry of Education</td>
<td>15.02.2010</td>
<td>On 17.03 the draft law has been presented to gov. 12.04, the final form of the</td>
</tr>
<tr>
<td></td>
<td></td>
<td>public consultation</td>
<td></td>
<td></td>
<td>draft law has been approved</td>
</tr>
<tr>
<td>5</td>
<td>05.02</td>
<td>Presentation of an information note regarding participation of</td>
<td>Department for Parliamentary</td>
<td>weekly</td>
<td>The information note is presented weekly starting 10.02</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Government members and state secretaries in Parliament in</td>
<td>Relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>accordance with the parliament agenda</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>17.02</td>
<td>Speeding up the endorsement process for the normative act proposal</td>
<td>Ministry of Finance</td>
<td>23.02.2010</td>
<td>On 03.03 the GD on this has been approved</td>
</tr>
<tr>
<td></td>
<td></td>
<td>for the use of an Electronic System of Public Procurement for 40%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>of procurements, so that the normative act can be presented for</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>approval</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>17.02</td>
<td>Presentation of the draft law for Romania to join EUMETSAT (</td>
<td>Ministry of Environment</td>
<td>23.02.2010</td>
<td>On 03.03 the draft law has been approved</td>
</tr>
<tr>
<td></td>
<td></td>
<td>international convention on exploring meteorological satellites)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>17.02</td>
<td>Presentation of the draft law for simplifying publicity formalities</td>
<td>Ministry of Justice</td>
<td>23.02.2010</td>
<td>In the preparatory meeting from 08.03, MoJ said they have sent to GSG proposals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>regarding the setting-up and functioning of companies</td>
<td></td>
<td></td>
<td>to be included in the draft normative act elaborated by GSG</td>
</tr>
<tr>
<td>9</td>
<td>17.02</td>
<td>Presentation of three draft laws</td>
<td>Ministry of Agriculture</td>
<td>23.02.2010</td>
<td>Partially accomplished – one act out of three</td>
</tr>
<tr>
<td></td>
<td>Date</td>
<td>Description</td>
<td>Responsible Ministries</td>
<td>Deadline</td>
<td>Note</td>
</tr>
<tr>
<td>---</td>
<td>------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>10</td>
<td>17.02</td>
<td>Each minister will prepare proposals regarding normative acts and other documents with implications for Moldova that would be approved in the Gov Meeting</td>
<td>All ministries</td>
<td>23.02.2010</td>
<td>On 23.02, all ministries submitted proposals</td>
</tr>
<tr>
<td>11</td>
<td>17.02</td>
<td>Analysis of the way that personnel expenditure could be limited as a response to the need to restructure the local public sector</td>
<td>Ministry of Finance, Ministry of Administration and Interior</td>
<td>23.02.2010</td>
<td>On 23.02, Ministry of Administration and Interior presented the identified solution for limiting expenditure</td>
</tr>
<tr>
<td>12</td>
<td>23.02</td>
<td>Ministry of Regional Development is sent the name of the representative in the inter-ministerial commission for National interest public works and housing</td>
<td>Many institutions</td>
<td>24.02.2010</td>
<td>Realized on time</td>
</tr>
<tr>
<td>13</td>
<td>23.02</td>
<td>Presentation of a draft normative act for facilities to be provided to young people establishing companies</td>
<td>Ministry of Finance, Ministry of economy</td>
<td>03.03.2010</td>
<td>On 17.03 the draft law on this has been presented first time in the government</td>
</tr>
<tr>
<td>14</td>
<td>23.02</td>
<td>Elaboration of an analysis regarding a reduction in the number of taxes and other para-fiscal obligations and a presentation of proposals for their reduction. <em>NB. This looks like a requirement for a policy document, but the terminology is not this.</em></td>
<td>Ministry of Finance</td>
<td>10.03.2010</td>
<td>On 31.03 the required information note has been presented</td>
</tr>
<tr>
<td>15</td>
<td>23.02</td>
<td>Presentation of a draft normative act regarding Fiscal Procedure Code for better fiscal management</td>
<td>Ministry of Finance</td>
<td>14.04.2010</td>
<td>On 21.04 the EO for this has been approved</td>
</tr>
<tr>
<td>16</td>
<td>23.02</td>
<td>Presentation of an information note regarding establishment of a monitoring system for arrears payment due from 10 state companies registering the biggest debts, based on quarterly targets</td>
<td>Ministry of Finance</td>
<td>17.03.2010</td>
<td>On 27.04 the information was sent to GSG</td>
</tr>
<tr>
<td>17</td>
<td>23.02</td>
<td>Presentation of a draft law regarding better control over expenditure incurred at the local administration level that would be sent to parliament by March 15</td>
<td>Ministry of Administration and Interior, Ministry of Finance</td>
<td>10.03.2010</td>
<td>On 27.04, Ministry of Administration and Interior mentioned that comments were received from IMF and these are now analyzed</td>
</tr>
<tr>
<td>18</td>
<td>23.02</td>
<td>Presentation of a position regarding the cultivation and use of the market for genetic modified organisms, in order for the Government to take a decision on this policy</td>
<td>Ministry of Agriculture, Ministry of Environment</td>
<td>03.03.2010</td>
<td>On 21.04 the required information note has been presented</td>
</tr>
</tbody>
</table>

Note: Only 9 out of 18, or 50 percent, been accomplished within the given deadline.
Table A11: Public Policy & Strategy Documents Prepared Since January 1, 2009

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Originator</th>
<th>Purpose</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25.09.2009</td>
<td>Ministry of Interior, National Agency for Civil Servants</td>
<td>National Digital Archive Patrimony, component of EUROPEANA project – connecting cultural heritage</td>
<td>Public policy proposal</td>
</tr>
<tr>
<td>2</td>
<td>? 2009</td>
<td>Ministry of Interior, National Agency for Civil Servants</td>
<td>Performance management of civil service</td>
<td>Public policy proposal</td>
</tr>
<tr>
<td>3</td>
<td>? 2009</td>
<td>Ministry of Interior, National Agency for Civil Servants</td>
<td>Ethics and integrity within civil service</td>
<td>Public policy proposal</td>
</tr>
<tr>
<td>4</td>
<td>31.08.2009</td>
<td>Ministry of Labour, National Agency for Child Protection</td>
<td>Improving family-type services for children separated by their parents</td>
<td>Public policy proposal</td>
</tr>
<tr>
<td>5</td>
<td>15.02.2010</td>
<td>Ministry of Interior</td>
<td>Improving Efficiency for management of emergency situations</td>
<td>Public policy proposal</td>
</tr>
</tbody>
</table>

Note: None of the proposals have been submitted to government or served as basis for Government Decision.

Table A12: Assessment of Substantiation Notes
(A sample of 35 out of 88 items with substantiation notes submitted to the GSG during February 2010.)

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Originator</th>
<th>Related Normative Act</th>
<th>Did the SN contain policy or fiscal impacts?</th>
<th>Returned</th>
<th>PPD Briefing Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>15.02.2010</td>
<td>MAI</td>
<td>Increased efficiency of the national system for management of emergency situations</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>15.02.2010</td>
<td>MDRT &amp; MAI</td>
<td>Draft GD on approval of the program for rehabilitation/consolidation of buildings with seismic risk</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>15.02.2010</td>
<td>MAI</td>
<td>Draft Law for ratification of an agreement between Romania and Azerbaijan</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td>15.02.2010</td>
<td>MAI</td>
<td>Draft GD for approval of an agreement between Romania and Moldova on border crossing</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>5</td>
<td>15.02.2010</td>
<td>MAI</td>
<td>Draft GD for moving some buildings from the public domain to the private domain of the state</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>6</td>
<td>15.02.2010</td>
<td>MAI</td>
<td>Draft GD for changing the category of some roads in Suceava county</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>7</td>
<td>15.02.2010</td>
<td>MAI</td>
<td>Draft GD for approval of the protocol between border police in</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>No</td>
<td>Date</td>
<td>Ministry</td>
<td>Document Description</td>
<td>Approval</td>
<td>Vote 1</td>
<td>Vote 2</td>
</tr>
<tr>
<td>----</td>
<td>------------</td>
<td>----------</td>
<td>---------------------------------------------------------------------------------------</td>
<td>----------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>8</td>
<td>19.02.2010</td>
<td>MAI</td>
<td>Draft GD for changing the category of some roads in Harghita county</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>9</td>
<td>?</td>
<td>-</td>
<td>Draft GD for moving some buildings from the private to public domain of the state</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>10</td>
<td>?</td>
<td>-</td>
<td>Draft GD for changing the category of some roads in Covasna county</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>?</td>
<td>-</td>
<td>Draft GD for transferring some buildings in the public sector domain to the Ministry of Administration and Interior</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>12</td>
<td>?</td>
<td>-</td>
<td>Draft GD for moving some buildings under the administration of Ministry of Administration and Interior</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>13</td>
<td>1.03.2010</td>
<td>MAI</td>
<td>Draft GD for of the National Strategy of integrated management of the Romanian border 2010 – 2012</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>14</td>
<td></td>
<td>MAI</td>
<td>Draft EO for adjustment of the Law on National Archives</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>15</td>
<td></td>
<td>MAI</td>
<td>Draft GD to change some symbols and uniforms for military personnel within MAI</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>16</td>
<td></td>
<td>MAI</td>
<td>Draft GD to approve cooperation between Ministry of Interior in MAI and the one in Hessa land</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>17</td>
<td></td>
<td>MAI</td>
<td>Draft law to ratify agreement between Romania and Azerbaijan on cooperation in fighting organized crime</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>18</td>
<td>04/02/2010</td>
<td>MS</td>
<td>Draft GD for approval of cost standards for some medical services, community medical assistance and sanitary mediators for roma</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>19</td>
<td>24/02/2010</td>
<td>MS</td>
<td>Draft GD for approval of the budget for 2010 of some national companies under the authority of the Ministry of Health</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>20</td>
<td>25/02/2010</td>
<td>MS</td>
<td>Draft GD for approval of the budget for 2010 of some national companies under the authority of the Ministry of Health</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>21</td>
<td>22/02/2010</td>
<td>MJ</td>
<td>Draft Law for ratification of the Convention of the Council of Europe</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>22</td>
<td>2010-02-10</td>
<td>MECTS</td>
<td>Draft GD for Romanian participation in some international programs for education</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>23</td>
<td>2010-02-19</td>
<td>MECTS</td>
<td>Draft GD on adjustment of the regulations regarding financial help for promoting the purchase of computers</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>24</td>
<td>2010-03-03</td>
<td>MECTS</td>
<td>Draft GD for allocation from the state budget of necessary funds for contracting and implementing a PHARE project</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>25</td>
<td>2010-03-05</td>
<td>MECTS</td>
<td>Draft Law to ratify an agreement between Romania and Cyprus regarding common recognition of diplomas</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>26</td>
<td>2010-03-05</td>
<td>MECTS</td>
<td>Draft Law to adjust the law on recognizing diplomas and certificates for professions regulated in Romania</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>27</td>
<td>2010-03-15</td>
<td>MECTS</td>
<td>Draft Law for adjusting the Government Ordinance on establishing and functioning of the scientific and technological parks</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>28</td>
<td>2010-03-19</td>
<td>MECTS</td>
<td>Draft law to ratify the agreement between Romania and the European Organization for Nuclear Research</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>2010-03-30</td>
<td>MECTS</td>
<td>Draft GD for approving the total number for pre-university and university state education in 2010 – 2011</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>30</td>
<td>2010-04-13</td>
<td>MECTS</td>
<td>Draft GD for approval of technical-economic indicators for some 19 investment objectives, new kindergartens with 2, 3 and 4 groups included in the “Social Inclusion program”</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>31</td>
<td>2010-05-21</td>
<td>MECTS</td>
<td>Draft GD for supplementing the budget of the Ministry of Education from the budgetary reserve of the Government for 2010</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>32</td>
<td>2010-02-03</td>
<td>Ministry for regional development and tourism</td>
<td>Draft EO for modifying the previous EO regarding some financial – budgetary measures</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>33</td>
<td>2010-03-22</td>
<td>Ministry for regional development and tourism</td>
<td>EO for adjusting the previous EO regarding organization of tourism activities</td>
<td>No</td>
<td>Yes</td>
<td>Yes - No social and economic impact</td>
</tr>
<tr>
<td>34</td>
<td>2010-03-22</td>
<td>Ministry for regional development and tourism</td>
<td>Draft GD for amending the previous GD on rehabilitation of some roads</td>
<td>No</td>
<td>Yes</td>
<td>Yes - No financial impact No implementation arrangements</td>
</tr>
<tr>
<td>35</td>
<td>20.01.2010</td>
<td>Ministry of Transports and Infrastructure</td>
<td>Draft GD for aproval of the budget of the National Company of Roads for 2009</td>
<td>No</td>
<td>Yes</td>
<td>Yes - The GD was for 2009 budget, but the budget for 2010 was already approved in Parliament. Details about financial impact were required from initiating ministry</td>
</tr>
</tbody>
</table>
### Table A13: Assessment of Preparation and Review of Ministry Strategic Plans

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th></th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td># Strategic Plans Completed</td>
<td># Strategic Plans Reviewed by GSG</td>
<td># Strategic Plans Reviewed by MoF</td>
<td># Strategic Plans Completed</td>
</tr>
<tr>
<td>All ministries, but Ministry of Foreign Affairs</td>
<td>All ministries, but Ministry of Foreign Affairs</td>
<td>All ministries, but Ministry of Foreign Affairs</td>
<td>5 ministries</td>
</tr>
</tbody>
</table>

### Table A14: Preparation of Responses to EU Documents/Laws

(The 25 most recent documents provided for comment.)

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Title</th>
<th>Type of Document</th>
<th>Government Opinion</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>September 2007</td>
<td>Revising EU budget</td>
<td>EC communiqué</td>
<td>DEA has elaborated the GD for establishment of an inter-ministerial working group for formulation of Romania’s position on the EU budget and negotiations from a financial perspective. DEA has coordinated public consultation on this, has elaborated ToRs for an impact assessment of its own EU resources and participated in bilateral negotiations with other member states</td>
<td>Problems: insufficient resources (human and financial) for sectoral impact studies and analysis as well as lack of cooperation between public administration and academic environment. Recommendation: allocation of additional resources for analysis and impact studies and creation of common working groups comprising administration, experts and academic environment representatives</td>
</tr>
<tr>
<td>2</td>
<td>December 2008</td>
<td>Directive proposal regarding electric and electronic equipment waste (WEEE recast)</td>
<td>Legislative - Directive</td>
<td>DEA was engaged in the inter-ministerial working group created for the elaboration of the country position. DEA has coordinated and endorsed the negotiation mandate.</td>
<td>Problems: not enough administrative capacity on European affairs at the sector level. Financial restrictions had implications for representing Romanian Government at EU level and sustain country interests. Recommendation: minimize the staff turnover and retain the best experts; allocate financial resources for analysis and studies to substantiate country positions</td>
</tr>
<tr>
<td>Date</td>
<td>Event Description</td>
<td>Type</td>
<td>DEA Role</td>
<td>Problems</td>
<td>Recommendation</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
<td>---------------------------------</td>
<td>--------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3 December 2008</td>
<td>Directive proposal regarding restrictions to use some dangerous substances in electric and electronic equipment (RoHS - recast)</td>
<td>Legislative - Directive</td>
<td>DEA was engaged in the inter-ministerial working group created for the elaboration of the country position. DEA has coordinated and endorsed the negotiation mandate.</td>
<td>Problems: not enough administrative capacity on European affairs at the sector level. Financial restrictions had implications for representing Romanian Government at EU level and sustain country interests. Recommendation: minimize the staff turnover and retain the best experts; allocate financial resources for analysis and studies to substantiate country positions.</td>
<td></td>
</tr>
<tr>
<td>4 January 2009</td>
<td>Proposal for Regulation regarding security of natural gas provision – replacing Directive no 2004/67/EC</td>
<td>Legislative - Regulation</td>
<td>DEA has participated in the formulation of the country position together with respective line ministries.</td>
<td>Problems: Lack of an impact study has created problems in defining a country position to best reflect Romania’s interests. Recommendation: In the energy field there is an urgent need for financing some in-depth studies to evaluate the impact of EU-proposed measures on the national energy sector.</td>
<td></td>
</tr>
<tr>
<td>5 February 2009</td>
<td>Public Consultation organized by EC regarding Green paper on Territorial cohesion – transforming territorial diversity in an advantage</td>
<td>Strategic document</td>
<td>DEA has been actively involved in finalizing Romania’s contribution to the document.</td>
<td></td>
<td>Recommendation: Better coordination between Ministry of Finance and Ministry of Regional Development.</td>
</tr>
<tr>
<td>6 April 2009</td>
<td>Proposal of Directive regarding administrators of alternative investment funds</td>
<td>Legislative - Directive</td>
<td>DEA has coordinated the process of formulating the country position.</td>
<td>Problems: Some financial institutions without any ties to the Government working apparatus have been involved and difficulties in cooperation were faced. Recommendation: taking into account some exclusive competencies in financial services that some institutions have, these institutions need to be included in the existing coordination mechanism.</td>
<td></td>
</tr>
<tr>
<td>7 July 2009</td>
<td>Proposal for Regulation of the Council regarding notifying Commission on energetic infrastructure investment projects within EU</td>
<td>Legislative - Regulation</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td></td>
<td>Recommendation: use the skills of experts from ministerial EA departments and the DEA to organize training courses.</td>
</tr>
<tr>
<td>8 September 2009</td>
<td>Legislative package regarding European level financial overseeing</td>
<td>Legislative - Regulation</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems: Some financial institutions without any ties to the Government working apparatus have been involved and difficulties in cooperation were faced. Recommendation: taking into account some exclusive competencies in financial services that some institutions have, these institutions need to be included in the existing coordination mechanism.</td>
<td></td>
</tr>
<tr>
<td>9 September 2009</td>
<td>Proposal of directive regarding prospect</td>
<td>Legislative - Directive</td>
<td>DEA has coordinated the process of elaborating supporting the general mandate</td>
<td>Problems: Some financial institutions without any ties to Government working apparatus have been</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Title</td>
<td>Nature</td>
<td>DEA role</td>
<td>Problems</td>
<td>Recommendation</td>
</tr>
<tr>
<td>-----------</td>
<td>----------------------------------------------------------------------</td>
<td>----------------</td>
<td>-----------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>October 2009</td>
<td>SET Plan – European Strategic plan regarding energetic technologies</td>
<td>Decision regarding financing infrastructure projects in natural gas and electricity field</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems: Lack of impact study has created problems in defining a country position to best reflect Romania’s interests. Recommendation: Allocate funds for impact assessment – economic, social and environment – necessary for substantiation of country positions</td>
<td></td>
</tr>
<tr>
<td>November 2009</td>
<td>Package for Energetic Efficiency – including three directives</td>
<td>Legislative - Directive</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems: Lack of impact studies</td>
<td></td>
</tr>
<tr>
<td>November 2009</td>
<td>Proposal for Regulation regarding some performance standards for cars CO2 emissions</td>
<td>Legislative - Regulation</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems: not enough administrative capacity on European affairs at the sector level. Financial restrictions had implications for representing Romanian Government at EU level and sustain country interests. Recommendation: minimize the staff turnover and retain the best experts; allocate financial resources for analysis and studies to substantiate country positions</td>
<td></td>
</tr>
<tr>
<td>January 2009</td>
<td>Program for allocating financial assistance to contribute to economic recovery in energy field</td>
<td>Decision regarding financing infrastructure projects in natural gas and electricity field</td>
<td>DEA has endorsed the mandates of the experts that negotiated.</td>
<td>Problems: delays in transmitting negotiation mandates Recommendation: DEA to organize training courses</td>
<td></td>
</tr>
<tr>
<td>January 2010</td>
<td>Doc 5214/10 of Presidency Improvement of food provision in Europe</td>
<td>Document for debates</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems with mandates and representation of Romania in EU level working groups</td>
<td></td>
</tr>
<tr>
<td>February 2010</td>
<td>Proposal for regulation on EU patent</td>
<td>Legislative - Regulation</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>February 2010</td>
<td>Draft Agreement regarding jurisdiction for European patents</td>
<td>Legislative – International treaty</td>
<td>DEA has supported the Ministry of Justice in elaborating the national position</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>March 2010</td>
<td>Proposal for European Parliament regulation on informing consumers on alimentary products</td>
<td>Legislative - Regulation</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems – low involvement of some agencies</td>
<td></td>
</tr>
<tr>
<td>March 2010</td>
<td>Presidency Conclusions regarding Future CAP after 2013</td>
<td>Doc 745/10 AGRI</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>Problems: formulation of mandates</td>
<td></td>
</tr>
<tr>
<td>March 2010</td>
<td>Agriculture and CAP from EU 2020 strategy perspective</td>
<td>Doc 7453/10 AGRI 79</td>
<td>DEA has coordinated the process of formulating the country position</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>April 2010</td>
<td>Action Plan for implementation of Stockholm program</td>
<td>COM Communiqué</td>
<td>DEA has integrated different institutions positions on this</td>
<td>Problems: inter-institutional cooperation – delays in sending the required information</td>
<td></td>
</tr>
</tbody>
</table>
Draft Conclusions of the Council regarding “Sustainability of Social security systems for achieving objective of adequate pensions and social inclusion”

Proposal of Regulation regarding biocide products

Proposal of Directive regarding consumers’ rights

Proposal of Directive regarding patients’ rights for cross border medical assistance

Proposal of regulation for setting harmonized conditions for commerce of construction products

Table A15: Assessment of Emergency Ordinances
(EOs approved by Government during 1st Quarter of 2010)

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Originator</th>
<th>Emergency Ordinance</th>
<th>Related Law</th>
<th>Gazette Date</th>
<th>Business days between Approval and Gazette Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25.01.2010</td>
<td>Ministry of Labor, Ministry of Finance</td>
<td>EO no 1 Law project regarding some measures for repositioning of some HR categories within the public sector, their salaries and other budgetary measures</td>
<td>-</td>
<td>na</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>29.01.2010</td>
<td>GSG</td>
<td>EO no. 2 regarding measures for organization and functioning of the Government working apparatus and for adjusting some normative acts</td>
<td>Not mentioned in the name of ordinance. Need to check substance</td>
<td>na</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>10.02.2010</td>
<td>Ministry of Labour</td>
<td>E.O no 4 regarding some social protection measures for 2010</td>
<td></td>
<td>10.02.2010</td>
<td>3</td>
</tr>
<tr>
<td>No</td>
<td>Date</td>
<td>Ministry</td>
<td>EO Number and Details</td>
<td>Other Details</td>
<td>Date</td>
<td>Ministry</td>
</tr>
<tr>
<td>----</td>
<td>------------</td>
<td>---------------------------------</td>
<td>-----------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>5</td>
<td>05.02.2010</td>
<td>Ministry of justice</td>
<td>EO no 5 regarding the organization and functioning of the National Authority for Citizenship</td>
<td>-</td>
<td>15.02.2010</td>
<td>Ministry of Justice</td>
</tr>
<tr>
<td>7</td>
<td>10.02.2010</td>
<td>Ministry of Economy</td>
<td>EO no 7 regarding adjustments to EO no 189/2002 regarding compensation measures for public procurement contracts in the area of defense, public order and national safety approved by Law.</td>
<td>EO no 189/2002 regarding compensation measures for public procurement contracts in the area of defense, public order and national safety approved by Law.</td>
<td>01.03.2010</td>
<td>Ministry of Economy</td>
</tr>
<tr>
<td>8</td>
<td>17.02.2010</td>
<td>Ministry of Defence</td>
<td>EO no 8 regarding fiscal measures for services delivered by National Company Romtehnica to the Ministry of National Defense</td>
<td>-</td>
<td>19.02.2010</td>
<td>Ministry of Defence</td>
</tr>
<tr>
<td>9</td>
<td>17.02.2010</td>
<td>Ministry of Finance</td>
<td>EO no 9 regarding approval for a support program to beneficiaries of projects accorded high priority in the Romanian economy, financed through EU structural funds</td>
<td>-</td>
<td>17.02.2010</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>10</td>
<td>23.02.2010</td>
<td>Ministry of Finance, National Bank of Romania</td>
<td>EO no 10 regarding ratification of the letter of intention in relation to the IMF</td>
<td>-</td>
<td>23.02.2010</td>
<td>Ministry of Finance, National Bank of Romania</td>
</tr>
<tr>
<td>11</td>
<td>23.02.2010</td>
<td>Ministry of Finance</td>
<td>EO no 11 for ratifying the MoU between EU and Romania on the Borrowing Agreement</td>
<td>-</td>
<td>23.02.2010</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>12</td>
<td>23.02.2010</td>
<td>Ministry of Interior, Ministry of Foreign Affairs</td>
<td>EO for amending EO no 194/2002 regarding foreigners in Romania</td>
<td>EO no 194/2002 regarding regime of foreigners in Romania</td>
<td>01.03.2010</td>
<td>Ministry of Interior, Ministry of Foreign Affairs</td>
</tr>
<tr>
<td>13</td>
<td>23.02.2010</td>
<td>Regional development</td>
<td>EO for amending the Law on establishing the National Agency for housing</td>
<td>Law no 152/1998 regarding establishing the National Agency for housing</td>
<td>04.03.2010</td>
<td>Regional development</td>
</tr>
<tr>
<td>14</td>
<td>23.02.2010</td>
<td>Ministry of Environment</td>
<td>EO for amending EO no 196/2005 regarding the Environment Fund</td>
<td>adjusting EO no 196/2005 regarding the Environment Fund</td>
<td>04.03.2010</td>
<td>Ministry of Environment</td>
</tr>
<tr>
<td>15</td>
<td>23.02.2010</td>
<td>Ministry of Labour</td>
<td>EO for measures to stimulate labor and reduce unemployment in 2010</td>
<td>-</td>
<td>01.03.2010</td>
<td>Ministry of Labour</td>
</tr>
<tr>
<td>No.</td>
<td>Date</td>
<td>Ministry</td>
<td>Description</td>
<td>Law/EO Related</td>
<td>Date</td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td>----------</td>
<td>-----------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>03.03.2010</td>
<td>Ministry of Interior, Ministry of Environment</td>
<td>EO for some measures to increase efficiency in preserving the border corridor, border line and border signs</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>03.03.2010</td>
<td>Ministry of Agriculture</td>
<td>EO to adjust disposition regarding agricultural payments from Law no 247/2005 on property and justice reform</td>
<td>Law no 247/2005 on property and justice reform</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>09.03.2010</td>
<td>Ministry of Finance</td>
<td>EO to adjust EO no 71/2009 on payment for personnel within the public sector</td>
<td>EO no 71/2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>09.03.2010</td>
<td>Ministry of Agriculture</td>
<td>EO to adjust EO no 74/2009 regarding management of structural funds for agriculture and adjustment of Law no. 218/2005 regarding stimulating absorption of SAPARD etc</td>
<td>EO no 74/2009, Law no. 218/2005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>17.03.2010</td>
<td>GSG, National Institute of Statistics, Ministry of Interior</td>
<td>EO for adjusting EO no. 36/2007 regarding the census for population and houses</td>
<td>EO no. 36/2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>24.03.2010</td>
<td>Ministry of Agriculture</td>
<td>EO for some services to be provided for the Ministry of Agriculture</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>24.03.2010</td>
<td>Ministry of Finance</td>
<td>EO to adjust the Law no 571/2003 on the Fiscal Code</td>
<td>Law no 571/2003 on Fiscal Code</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>24.03.2010</td>
<td>Sanitary- Veterinary National Authority</td>
<td>EO regarding identification and registering of animals</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>24.03.2010</td>
<td>Ministry of Agriculture</td>
<td>EO for implementation of the program to support fruits consumption in schools</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>31.03.2010</td>
<td>Ministry of Finance</td>
<td>EO for adjusting EO no 99/2006 regarding credit institutions</td>
<td>EO no 99/2006</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>31.03.2010</td>
<td>Ministry of Finance</td>
<td>EO for adjusting Law no 79/2008 regarding economic-financial measures for businesses</td>
<td>Law no 79/2008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>31.03.2010</td>
<td>Ministry of Regional Development</td>
<td>EO for financing in 2010 the program “Rebirth of Romanian village – 10 houses for specialists”</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Date</td>
<td>Ministry of Economy</td>
<td>Ministry of Environment</td>
<td>EO for capitalization of surplus from the quantities that Romania was given by Kyoto Protocol</td>
<td>na</td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td>------------</td>
<td>---------------------</td>
<td>-------------------------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>----</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>31.03.2010</td>
<td>Ministry of Finance</td>
<td>Ministry of Economy</td>
<td>EO to adjust EO no 60/2009 regarding implementation of the program “First House”</td>
<td>na</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EO 60/2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Average</td>
<td>4.62 days</td>
<td></td>
</tr>
<tr>
<td>#</td>
<td>Plot. Date</td>
<td>Originator</td>
<td>Name of Law</td>
<td>Emergency Ordinance (if used to suspend law)</td>
<td>Ord. Date</td>
<td>Nature of Fiscal Impact (mill lei)</td>
</tr>
<tr>
<td>----</td>
<td>------------</td>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>-------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>2</td>
<td>17.05.2006</td>
<td>Norica Nicolai, Mihail Antonie</td>
<td>Law no 193/2006 regarding provision of present and kindergarten tickets</td>
<td>EO nr.114/2009 regarding some financial-budgetary measures</td>
<td>23.12.2009</td>
<td>2.93- ticete cadou</td>
</tr>
<tr>
<td>6</td>
<td>07.11.2008</td>
<td>Bădălău Niculae, Băeșu George, Bejinariu Eugen, Dorneanu Valer, Iordache Florin, Năstase Adrian, Sârbu Marian, Nicolae Șerban</td>
<td>Law no.263/2008 regarding the pension system and other social security measures for agricultural workers, art.74, art.102, art.103 alin.(2)</td>
<td>EO nr.114/2009 regarding some financial-budgetary measures</td>
<td>23.12.2009</td>
<td>0.59</td>
</tr>
<tr>
<td>7</td>
<td>17.03.2000</td>
<td>Romanian Government</td>
<td>Law no.19/2000 regarding the public pension system and other social insurance rights, art.80 alin.(1) și (3)</td>
<td>EO nr.114/2009 regarding some financial-budgetary measures</td>
<td>23.12.2009</td>
<td>5.09</td>
</tr>
</tbody>
</table>
### Table A17: Implementation of Government’s Annual Legislative Program, 2009

<table>
<thead>
<tr>
<th># Projects of Law Proposed in 2009 Program</th>
<th>Total # Projects of Law Approved by Gov’t in 2009</th>
<th># Approved Projects of Law from Program</th>
<th># Approved Projects of Law not from Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>240</td>
<td>231*</td>
<td>72</td>
<td>159</td>
</tr>
</tbody>
</table>

* There is some discrepancy between the number of projects of law for 2009 shown in table A4 and in table A17 as they have been provided by different sources. The GSG has not been able to reconcile the figures.

### Table A18: Parliamentary Review of Ordinances

<table>
<thead>
<tr>
<th>Emergency Ordinances Approved by Parliament</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Approved</td>
<td>120</td>
<td>214</td>
<td>23</td>
</tr>
<tr>
<td>out of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60 – initiated by current government</td>
<td></td>
<td></td>
<td>21</td>
</tr>
<tr>
<td>154 – initiated by previous governments</td>
<td></td>
<td>154</td>
<td>2</td>
</tr>
<tr>
<td>Total Not Approved</td>
<td>10</td>
<td>27</td>
<td>4</td>
</tr>
<tr>
<td>out of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 initiated by current government</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>24 – initiated by previous governments</td>
<td></td>
<td>24</td>
<td>-</td>
</tr>
</tbody>
</table>

### Table A19: Projects of Law Approved by the Senate in 2009

<table>
<thead>
<tr>
<th>Total Approvals</th>
<th>Initiated by Government</th>
<th>Initiated by MPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>447</td>
<td>350</td>
<td>97</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projects of Law</th>
<th>Emergency Ordinances</th>
<th>Simple Ordinances</th>
</tr>
</thead>
<tbody>
<tr>
<td>94</td>
<td>229</td>
<td>27</td>
</tr>
</tbody>
</table>

Source: Legislative Bulletin of the Senate - February - June and September - December 2009 sessions