

C2C REGIONAL ACTION PLAN

Project file based on the “LIMBURG Sustainable Roundtables” Good Practice Example

MUNICIPALITY/ COUNTY

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PROCUREMENT/INVESTMENTS DEPARTMENT

No. .../.../201...

NEEDS REPORT

With regard to: the procurement of “Consultancy services for drafting / updating the Development Strategy”

- **Legal basis:**

- a) **The legal framework for Structural Funds grants**

LAW no. 315 of June 28th, 2004 on the regional development in Romania

2007-2013 National Strategic Reference Framework

National Development Plan 2007-2013

EC Regulation No. 1081/2006 on the European Social Fund (ESF)

EC Regulation No. 1083/2006 laying down general provisions of the European Regional development Fund, the European Social Fund and the Cohesion Fund

EC Regulation No. 1605/2002 on the financial regulation applicable to the general budget of the European Communities amended by Council Regulation no. 1525/17.12.2007

COMMISSION REGULATION (EC) NO. 1828/2006 of December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund

Government Ordinance 29/2007 – assignment of structural instruments, pre-financing, co-financing from the State budget, including from the National Development Fund, of the budget of the institutions involved in the management of structural instruments and their use for the convergence objective;

Government Ordinance 64/2009 – financial management of structural instruments and their use for the convergence objective;

Order No. 2548/2009 for the approval of Methodological Norms for the application of Government Order no. 64/2009 on the financial management of structural instruments and their use for the convergence objective

- b) **Administrative Legal Framework**

Law no. 213/1998 on the public property and its legal status;

Law no. 215/2001 of the local public administration: this law regulates the general status of local autonomy and the organization and operation of local public administration.

Law no. 286/2006 of July 2006 amending and supplementing the Law no. 215/2001 of the local public administration

Law no. 273 of June 29th, 2006 on the local public finances

Emergency Ordinance 34/2006, as subsequently amended and supplemented – award of public procurement and works contracts, as subsequently amended and supplemented;

- **Procurement subject:**

- a) **Project context**

Regardless the direct actions of public authorities for the support of all media, these should start from an accurate knowledge of the context in which the public intervention must occur, of its opportunity and impact, within a complex process of strategic planning by which the public authority establishes its objectives, lines of action and specific activities.

Therefore, the effectiveness of any public political measure for the support of each media specifically depends on the public authority capacity to assess the actual needs, to forecast the future development, to build the strategic vision and to fulfill it. The policies on the development of each media are public policies which are a priority for the Government, as they also are part of the commitments of Romania as a Member State of the European Union.

The major challenge faced by Romania at the time being is the economic crisis. The recession was caused by a severe financial crisis at global level, fact that would not allow a fast recovery. The IMF study which examined 122 recessions since 1960 showed that in the recession caused by financial crisis, the investments also continue to decrease after the lowest point of economic decline. At the same time, the consumption expenses record a slower progress, fact that does not contribute to a dynamic aggregate demand. The synchronization of recession across Europe affects the recession and subsequent recovery. Since the business environment was affected in many countries, it will take a long time before reaching again the level before 2009.

The countries in Eastern Europe are the most exposed to the recession. Certain structural deficiencies aggravated this vulnerability. The most important features that make them vulnerable are: the dependence on the external markets (small domestic market), big current account deficits, high dependence on the external capital flows, and high volumes of currency credits. Still, the major vulnerability is connected with the need for external funding. The bank branches in this region depend on their mother banks, thus generating an additional risk of a quick capital withdrawal. Because of the difficult situation in their countries of origin, many branches slowed down the credit operations in the Eastern European Countries. Recent studies show that Romania's economy has suffered a significant fall, from an annual average of 7% growth between 2006-2008 to -7.1% in 2009. The causes were the reduced domestic and foreign

demand, the decreased foreign investments flow and the limited credit. The data for the first semester of 2010 show a slight recovery, but it is estimated that the GDP will not raise in 2010, while its growth for 2011 would be maximum 2%. On an average term, there can be forecasted a moderate GDP growth.

On average term, the present recession will have a significant impact on the business and social environment in Romania.

Strategic framework

1. Lisbon Strategy -2000 - 2010

The stated scope of this strategy was to revitalize the Community policies, in the context of two major challenges affecting the economy and society: globalization and fast pace development of information society. The objective of the Lisbon Strategy is to transform the Union into a more attractive space for investments and work, to promote knowledge and innovation and to create more and better jobs. Thus, from the perspective of a subsequent understanding, it is clear that the strategy should have been better organized in order to emphasize the critical elements that were crucial in the recession triggering, such as the robust surveillance and the systemic risk on the financial markets, the speculative issues (for example: the real estate market), and the consumerism promoted by the access to credit which, in certain Member States, combined with salary increases exceeding the productivity growth, fed the current account deficits. The macroeconomic disruption and the competitiveness issues were the core of the economic crisis, and they have not been properly addressed in the monitoring of Member States economies provided for within the Stability and Growth Pact of Lisbon Strategy, tending to operate separately instead of complementing each other.

2. Europe 2020 Strategy - 2011 - 2020

For the future period 2011 - 2020, Europe 2020 Strategy proposes three key general directions for economic growth, to be reached through concrete actions at EU and national level:

- Promotion of knowledge, innovation, education and digital society,
- More competitive production, with an improved use of resources,
- Greater participation to the labor market, achievement of competences and fight against poverty.

The strategy is intended to be a solution for overpassing the present recession, through actions at Community level, in order to transform the UE into a 21st Century economy - smart, sustainable and inclusive, leading to an increased employment of labor market, productivity and economic, social and territorial cohesion.

Therefore, the core of the Strategy for smart, sustainable and inclusive growth is represented by the three interrelated priorities that define the Community vision on the market social economy of the 21st Century:

1. Smart growth: development of an economy based on knowledge and innovation;

2. Sustainable growth: promotion of a more environment friendly and competitive economy, that uses the resources more efficiently;
3. Inclusive growth: promotion of an economy with a high employment level, generating social and territorial cohesion.

These efforts towards the economic growth and employment require the undertaking of responsibility at the highest political level and the involvement of all stakeholders throughout Europe. Therefore, there have been established five interrelated headline targets for the EU to achieve by 2020, in order to measure the progress made:

- 75 percent of the population aged 20-64 should be employed;
- 3 percent of the EU's GDP should be invested in R&D
- The "20/20/20" targets in terms of reduction of greenhouse gas emissions, renewable energy production, and energy efficiency should be met (including the increase by 30% of the emissions reduction, if possible);
- The share of school dropouts should be under 10 percent and at least 40 percent of the population between the ages of 30 and 34 should have a degree or diploma;
- 20 million fewer people should be living below the poverty line.

No Member State can face these emerging global challenges alone. Therefore, Europe 2020 Strategy proposes a vision for the European market social economy for the next decade, based on three priority fields, that mutually interfere and support: smart economic growth, development of a knowledge and innovation based economy; sustainable economic growth, promotion of a competitive economy, with low carbon dioxide emissions and an efficient use of resources; as well as the inclusive economic growth, promotion of the economy with high employment rate, that generates social and territorial cohesion.

To achieve these objectives, the European Commission has the Europe 2020 Agenda consisting in several pilot actions. The application of these actions is a shared priority that requires measures at all levels: the EU organizations, Member States, local and regional authorities.

Europe 2020 – initiative-pilot:

- Innovation Union – re-focusing of research, development and innovation policy towards major challenges, while closing the gap between science and market, in order to turn inventions into products. For example, the Community Patent may allow companies to save 289 million euro each year.
- Youth on the move - enhancing the quality and international attractiveness of Europe's higher education system by promoting student and young professional mobility. As a concrete action, vacancies in all Member States should be more accessible throughout Europe and professional qualifications and experience properly recognized.
- A digital agenda for Europe - providing sustainable economic and social benefits from a Digital Single Market based on ultra fast internet; all Europeans should have access to high speed internet by 2013.

- Resource-efficient Europe - supporting the shift towards a resource efficient and low-carbon economy. Europe should stick to its 20/20/20 targets in terms of energy production, efficiency and consumption. This would result in 60 billion euro less in oil and gas imports by 2020.
- An industrial policy for green growth – helping the EU's industrial base to be competitive in the post-crisis world, promoting entrepreneurship and developing new skills. This would create millions of new jobs.
- An agenda for new skills and jobs – creating the conditions for modernizing labor markets, with a view to raising employment levels and ensuring the sustainability of European social models, while baby-boomers retire
- European platform against poverty - ensuring economic, social and territorial cohesion by helping the poor and socially excluded and enabling them to play an active part in society.

Reporting and evaluation under both Europe 2020 and the Stability and Growth Pact (SGP) will be carried out simultaneously (while remaining distinct instruments) to improve coherence. This will allow both strategies to pursue similar reform objectives while remaining as separate instruments.

3. C2C Regional Action Plan

The project is also based on C2C principals, aspects that we will be able to find in the very methodology that will be applied in the elaboration of the project, developed in Limburg Principals:

- We are native of our places
- Our waste is our food
- The sun is our income
- Our air, soil and water are healthy
- We design enjoyment for all generations
- We provide enjoyable mobility for all

The mission is to use the Cradle to Cradle principles in order to drive innovation. The purpose of applying these principles is to achieve a diversified, safe and healthy world with fresh air, soil and water as well as economically and ecologically profitable.

Aim: To become the leaders of the North-Eastern Regional and Romanian economy by applying the Cradle to Cradle principles.

The program is based on respecting 3 principles in each initiative:

- **waste equals food: all used materials are clean (healthy, compostable) or reusable (up cycle in same or better products or use closed loops “up cycling”)**
- **use current solar income**
- **celebrate diversity**

In RO the level of local administration have limited amounts of money to implement a consistent plan for sustainable development. Nevertheless, there are multiple choices to attract EU funds to promote good governance initiatives. Thus, it is important that local authorities give particularly attention to Sustainable Development when they will set up their multiannual development strategies.

As a preparatory phase for the setting up of the strategy, in November 17 and 18, 2011 staff of external expertise which are engaged for the setting up of the RAP were involved in a program of training and workshops with local public authorities (Provinces of Suceava, Botosani, Neamt, Bacau and Vaslui, as well as municipalities of Bacau and Iasi) **on topics like “Energy management of buildings” and “Building envelope”**. The workshops with these stakeholders combined with more info collected on specific implemented projects would be useful to learn more about the gaps they have to cover.

With the aim to follow the same path in preparing their own local development C2C initiatives, the workshops have demonstrated they are ready to cooperate on the assistance with training and personalized assistance for local public authorities that intend to prepare projects, which include C2C approach on building.

The overall objective of the adopting the principals in a development strategy is to establish sustainable strategies for localities from NE Region, containing following specific goals:

- **Sustainable strategic planning;**
- **“Doing well from the beginning”, taking into consideration that the local public authorities will be better prepared for promoting the green buildings and constructions in general from the phase of public procurement terms of references till the last day of the implementation of the projects and by that reducing the CO2 emissions, reducing a large quantity of waste from demolitions and reducing large quantity of primary materials;**
- **Saving costs for public authorities and private enterprises;**
- **Generating income and assisting local organizations;**
- **Mentality changed.**

b) Description of service to be procured, including data on its technical, descriptive, quality, quantity parameters, etc.;

The subject of the hereby public procurement consists in the selection of a consultant for the conclusion of a service agreement with the following subject “Consultancy services for the drafting / updating the Development Strategy”.

The main activities for the achievement of the procurement subject are:

- I. **Drafting a Study on how to limit and reduce the economic crisis impact.**
- II. **Drafting a Socio-economic study.**
- III. **Drafting a Study for the strengthening the management capacity of public local administration to make the administrative act more effective.**
- IV. **Evaluation of previous DS implementation, if applicable, and**
- V. **Feasibility study on the promotion of sustainable development projects encouraging the efficient use of resources, re-use of waste and public awareness on the benefits of closed loop production technologies.**
- VI. **DS Drafting / Updating**

All the activities shall be implemented under the direct supervision of the consultant, that will have the obligation to assign a technical and financial expert team for each subsequent contract, that will draft the documentation according to the requirements of the hereby paperwork.

TECHNICAL CHARACTERISTICS

I. Drafting a Study on how to limit and reduce the economic crisis impact

The Study on how to limit and reduce the economic crisis impact shall be grounded on a questionnaire applied to the business environment, with a maximum allowed margin of error of $\pm 5.67\%$.

Beside this instrument, there shall be used a deep interview applied to all the representatives of the media affected by the recession (social, business, infrastructure and environment sectors).

The research report will include several proposals for the improvement of the business sector competitiveness, in order to increase its regional impact.

Moreover, for a better overall image, it is necessary to provide a mapping / graphical representation of the project conclusions. To provide the mapping / graphical representation, the Contracting Authority will present the Provider the last UZO / County Territory Arrangement Plan (PATJ), if applicable.

II. Drafting a Socio-economic study

The Socio-economic study shall be grounded on a questionnaire applied to the population, with a maximum allowed margin of error of $\pm 4\%$.

The research report shall include several proposals of investment projects designed to improve the living standards and increase the safety within the community.

Moreover, for a better overall image, it is necessary to provide a mapping / graphical representation of the project conclusions. To provide the mapping / graphical representation, the Contracting Authority will present the Provider the last UZO / County Territory Arrangement Plan (PAT), if applicable.

III. Drafting a Study for the strengthening the management capacity of public local administration to make the administrative act more effective

The Study for the strengthening the management capacity of public local administration to make the administrative act more effective shall be grounded on structured interviews applied to all stakeholders identified by the Provider as relevant to the assessment of the management capacity of the municipality / county. Moreover, the direct proposals of the Contracting Authority shall contribute to supplement all the required information.

The research report shall include several proposals of investment projects designed to strengthen the management capacity of public local administration, included into an action plan.

IV. Evaluation of previous DS implementation, if applicable

The Evaluation of DS implementation shall be grounded on the following studies:

- a. **Drafting an DS evaluation study**
- b. **Drafting an Analysis study of internal progress reports (corresponding to the implemented projects)**
- c. **Technical assistance for the production of a Analysis study of the Action Plan**
- d. **Production of resulting Reports.**

V. Feasibility study on the promotion of sustainable development projects encouraging the efficient use of resources, re-use of waste and public awareness on the benefits of closed loop production technologies

- a. **Organization of consultative meetings with the relevant local stakeholders identified by the Provider as relevant to the strategic planning of the county in order to collect and analyze project proposals with a focus on the specified elements of sustainability;**
- b. **Classification of project proposals by project sheets and setting up their order of priority in the updated portfolio of SD ;**
- c. **Elaboration together with the Contracting Authority of an internal programme of measures to encourage the achievement of green procurements by the administrative structure**

VI. DS Drafting / Updating

The DS Drafting / Updating shall be grounded on the following studies:

- a. **Conducting a DS updating study by the update of statistical data**
- b. **Conducting a DS updating study by supplementing the information achieved during the latest studies, including the updated evaluation studies and progress reports**
- c. **Conducting a DS updating study by the updating of the macro type analysis, consisting in the updated SWOT analysis**
- d. **Technical assistance for conducting an Updating study for the Action Plan and its updating**
- e. **Organizing a Visibility campaign for the administrative act by using the DS as a work tool** (in order to organize the campaign, all the relevant stakeholders shall be considered, including: the population, business sector, representatives of public sector and of the local public administration, local and regional environment protection agencies)
- f. **Production of resulting Reports.**

We estimate the following quantities of specific studies:

Study type	Quantity
1. <u>Study on how to limit and reduce the economic crisis impact</u>	1
2. <u>Socio-economic study</u>	2
3. <u>Study for the strengthening the management capacity of public local administration to make the administrative act more effective</u>	1
4. <u>Evaluation of previous DS implementation, if applicable</u>	1
5. <u>Feasibility study on the promotion of sustainable development projects</u>	1
6. <u>DS Drafting / Updating</u>	1

Results achieved

The contract development shall consider the achievement of the following results, according to the technical specifications in the tender book:

- 1) **“Development Strategy”**, issued / updated by the Consultant, according to the technical specifications in this tender book;
- 3) **“Project Portfolio”** grounded on the development strategy, issued / updated, according to the technical specifications in this tender book;

- c) **Possible contracting clauses: delivery/provision/execution deadline(s) and/or conditions, warranty, etc.**

The commencement date of the contract is after the contract is signed by both parties.
The contract duration shall be of calendar months.

d) Procurement justification (necessity, etc.):

Each town has a number of features (past, present and forecasted for the future, according to the political, economic and social trends) that define and make it different from other towns, at regional and national level.

We must consider that, at country level, the present times are extremely dynamic, characterized by convulsions caused by the society's efforts to change. This is also the moment in which a new way of life is profiled, in all its dimensions: individual, family, community, public administration, entrepreneurship, private sector, domestic and foreign political relations, energy, environment, equal chances, technology, etc.

The implementation of the DS shall be grounded on a project designed to improve the effectiveness of the public local administration act, by the implementation and use of project management principles and mechanisms at the level of public administration.

Project management allows public administration to develop the necessary skills to identify, develop and implement the projects under its responsibility and, according to the assumed local development strategy, **starting with the identification, design and planning stage, and ending with the final evaluation of results**, to ensure that the activities are run according to the plan and budget.

The people in charge must also effectively implement the **decentralization** and **outsourcing**, because the public administration must be a good planner, manager, monitoring and evaluation authority of projects in various stages, starting from their design and ending to their implementation.

In order to make this process more effective, there shall be organized work meetings with the financial managers, to establish the implementation schedule, the project budgets and the strategy on the multi-year budget allocation necessary to implement these priority projects.

In witness whereof,

Municipality/ County aims to draft / update the DS in order to improve the public local administration act.

Please approve the procurement of the services subject of the hereby needs report.

Position	Name and surname	Date	Signature
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Endorsed

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Checked

Drafted by (department
requesting the
procurement)