



THE MODERNIZATION OF RURAL INFRASTRUCTURE UNDER THE MEASURE 322 OF THE NATIONAL RURAL DEVELOPMENT PROGRAMME 2007-2013¹

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Abstract: *In the context in which rural areas represent 92% of the EU territory and gather over 50% of the EU population, and many rural areas face significant challenges such as migration and aging, reduced access to services, poor infrastructure or reduced employment opportunities, the concerns for rural development and improved quality of life in these areas have increased. Rural development is one of the strategic objectives of the European Union, which is pointed out by the consistent financial allocations: over a third of the total available funds at EU level between 2007 and 2013, and an estimated 38% for 2014-2020. The main institutional mechanism to support the development of rural areas in Romania was represented by the implementation of the National Rural Development Programme 2007-2013 (NRDP) financed by the European Agricultural Fund for Rural Development. In the absence of other major government initiatives for rural development, the absorption of EU funds has been the main funding opportunity after 2007, for the initiatives of modernizing the Romanian rural areas. Based on a mix of secondary data analysis and the analysis of official documents provided by The Agency for Financing Rural Investment, the article aims to examine how the public investments program was carried out under the measure 322 of the NRDP, to identify its strong and weak points and its impact on rural infrastructure.*

Keywords: *rural development, local development, NRDP, measure 322*

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1. Theoretical Framework

The European rural area is defined by diversity, both in terms of economic and social coordinates, and of development needs (Patarchanova, 2012). We can talk about three major levels of differentiation of the rural environment in the EU. We have as a first level of analysis the differences recorded between the old EU member states and those that joined after 2004. The group of countries that have recently become members of the community has an increased dependence of the rural areas on the agricultural activities, as well as accentuated deficits of socio-economic development. A second level of analysis refers to the differences recorded between countries that belong to the same group. An example in this respect is represented by the different coordinates recorded by the rural areas in the former communist states of Central and Eastern Europe. The last level of differentiation, of the coordinates of the rural areas, refers to the regional criterion. In Romania's situation, this aspect is emphasized through the differences in development levels, recorded between the types of rural localities from different regions of the country, and through the discrepancies recorded between the profile of the peri-urban settlements and that of the less developed villages, which are economically and territorially isolated.

The concept of *rural development* is inextricably linked to the process of increasing the quality of life in rural areas and of reducing the development gaps between different types of localities and population (Brauer and Dymitrow, 2014; Buțiu and Pascaru, 2012; Preotesi, 2009). In this way, it is centered on the idea of action, in order to solve social and economic problems specific to the communities and it is often used in relation to the concepts of *local development* and *community development*. While the local development process includes the changes made in a locality, either with local actors, or by the local authorities without the involvement of the citizens, community development is the bottom-up component of local development, characterized by the participation of local actors (Petrescu, 2015). Therefore, the development of a community through economic growth projects or investments in the infrastructure, but without the participation of its members, does not represent community development (Precupețu, 2006). The prospect of community development includes the approaches centered on the formation or increase of social capital, which started in Romania in the second half of the 90s through the work of the Romanian Social Development Fund, and subsequently extended to other projects developed by the Romanian Government and the World Bank, or even the corporate social responsibility initiatives of private companies (Voicu, 2008).

The classical definitions of local development were focused on wealth creation, through creating workplaces and income growth, but elements of reducing social inequalities or environmental protection were introduced later on, local development also pursuing the fulfillment of the sustainability criteria (Vásquez-Barquero, 2009). Although economic development theories have been focusing on resources for a long time, local development is based on two main components - resources and capacity – which need to be combined. Resource mobilization really represents a central objective of local development, but a reduced capacity at community level can hinder the development process, while a stronger capacity can compensate for the insufficient resources and can

transform the existing ones into development opportunities (Green Leig & Blakely, 2013).

Local development can be achieved either by making decisions at central level, and by promoting measures of economic growth (top-down), or by adopting development policies from the bottom up, starting at the local level. As a result of the reduced effectiveness of the top-down approach, focused on improving the attractiveness and accessibility of the area for potential investors by creating infrastructure, granting incentives or subsidies, the interest in bottom-up local development has intensified. This is based on local initiatives and on fully harnessing the potential of each area, on the coordination of the actions of public and private actors, which increases measures' effectiveness (Petrescu, 2015; Vásquez-Barquero, 2009). An important element of the bottom-up perspective is represented by the *community capacity building*, a term which started being used extensively in the 1990s, as concerns for sustainable development increased, and was later associated in the reports of the European Commission with the priority of *community economic development*, within the programs financed through structural funds. In this context, capacity building has been regarded as the first of the three ways in which communities were encouraged to engage in the local development process, and has been described as including both individuals and local organizations; the other two ways were represented by the use of available resources in line with the community needs and the reduction of isolation, regardless of the degree of deprivation or the economic opportunities from the communities, by encouraging associations between them (European Commission, 1996).

At the same time EU documents use the term *community-led local development* to designate a specific instrument for action, on the local level, based on mobilizing communities and local organizations to achieve the goals of the Europe 2020 Strategy for smart, sustainable and inclusive growth. *Community-led local development* encourages communities to develop bottom-up approaches, taking into consideration local needs and potential, and promoting cooperation. One of the key components of *community-led local development* are the local action groups which consist of representatives of public and private entities at the local level, such as entrepreneurs, local authorities, rural associations, groups of citizens, voluntary organizations. Such an approach has been supported in previous programming periods through the LEADER program; more than 2300 local action groups with a total funding of 5.5 billion euros are currently operating on the EU level (European Commission, 2014).

Consequently, the success of rural development initiatives depends on the combination of two categories of factors: public policies and programs, meant to support the local development, and local initiatives, through which these are implemented at local level. Public policies in this area aim to provide a formal action framework, and to guide the public support on specific targets for intervention, while involving the local factors (authorities, entrepreneurs, associations, action groups) is the key element in implementing initiatives meant to bring a solution to local problems. The local actors are responsible for managing and implementing programs, which result from the regulations stipulated by the public policies in rural development (Margarian, 2013). Thus, the Common Agricultural Policy of the European Union theoretically categorizes rural development as an endogenous product which focuses on communities and their

specific needs (Margarian, 2013). However, recent studies show that the artificiality of the Common Agricultural Policy measures in the new EU member states comes exactly from their poor adaptability to local characteristics (Șerban and Juravle, 2012). Therefore, in countries like Romania, where the mechanisms involved in the implementation of institutional programs are not fully developed, and where local actors have not gained enough experience in implementing this type of programs, bottlenecks and flaws in the allocation and the implementation and control mechanisms often occur (Wegener et al, 2011).

Rural development and the policies in this field represent an area of action, in which national strategies and decisions combine with the provisions of the community framework, which aims to support, through financial allocations, the objectives set at national level. The rural development strategy of the European Union, implemented through the intervention measures and the financial support of the Common Agricultural Policy (CAP) is, thus, the general assembly under which are articulated the national policies in this field. This way, the CAP represents, in the area of rural development, a set of measures which guide and complement the national policies on this matter, without being able to replace them.

The European policies in this field include both direct payments to support the agricultural sector (through the combined measures in the first Pillar of the CAP), as well as direct measures of supporting the other economic sectors, and of increasing quality of life in rural areas (Pillar II). In the 2007 - 2013 programming period, over a third of the total available funds at EU budget level was directed towards agriculture and rural development, whilst the 2014-2020 programming requires that this share reaches 38% of the total EU expenditure (312 billion euros representing 29% of the total, will be directed towards supporting the agricultural sector and 95.6 billion euros, that is 9%, will be destined for the implementation of rural development policies). The funds share for Pillar II has undergone a significant growth after the year 2000, when the rural development objectives were placed at the forefront of the community space policy. It is not insignificant that this stage of redefinition of the role of rural development in the CAP overlaps the three recent waves of enlargement of the Union (2004, 2007 and 2013). This reorientation of community policy can also be seen as a response to the expansion towards the former communist countries, which, in some cases, register major development deficits of rural areas.

In the context of recent developments, the main institutional mechanism to support the development of rural areas in Romania was represented by the implementation of the National Rural Development Programme 2007-2013 (NRDP), as part of the European Common Agricultural Policy. Therefore, in the absence of other major government programs focused on the development of the villages, the absorption of European funds represented a major lever, which, after 2007, was used for the funding of the initiatives to modernize the economy and rural infrastructure. Whether we refer to the development of economic activities (Mihăilescu, 2014) or the improvement of the rural infrastructure and the population's quality of life (Marin, 2014), the role of NRDP in the transformation of the rural areas is significant. Even if, in the implementation of the European programs addressed to support rural areas, there have been some problems related to the lack of experience of the local authorities in attracting funding, or to the

excessively bureaucratic provisions which accompanied the selection and the implementation processes, their importance in supporting the agriculture and the modernization of rural areas cannot be questioned, as confirmed by the results of previous studies (Marin, 2014; Mikulcak et al, 2013; Șerban and Juravle, 2012).

In allocating government funds to modernize villages, the role of the political affiliation of the mayors can be questioned. In other words, the most important element, based on which the public funds are distributed to local authorities, is the political one (Marin, 2014). This relationship, specific for the entire period after 1990, creates and maintains, on one hand, the mechanisms to support the mayors who belong to the ruling parties, and on the other hand, it is a way of strengthening the electoral fiefdoms.

In the attempt to access European funds, destined for the modernization of rural areas, an important role is held by consulting firms, specialized in writing this kind of financing applications. The problem in this situation is the fee charged by these companies, especially for the projects that are not selected for funding, because, for the ones that are financed, this type of costs are considered eligible expenditure (Marin, 2014). A real problem in conducting the preliminary stages of writing financing applications is the drafting of feasibility studies and local development strategies, which involve the allocation of money from local budgets. Given that most Romanian villages face significant financial constraints, caused by the limited revenues collected from local budgets, they have come across important standstills in the preparation of funding applications (Dărășteanu, 2010).

Previous studies (Dărășteanu, 2010; Marin, 2014) show that, in the case of the less developed localities, with their own limited budgetary resources, the incidence of funded projects under the measure 322 of the NRDP is the highest. Therefore, 45% of the villages situated in the first quartile won this type of projects in 2009-2012, based on the coordinates of local budgets, whilst for other types of rural localities the percentage is around 30% (Marin, 2014). This situation is explained by the official scoring grid, which was used to evaluate funding applications, and on which supplementary points were awarded for funding requests from less developed villages. Therefore, the logic behind this decision was to favor poor communities, for which it would have been impossible to achieve large investments in local infrastructure, based solely on their own budgets.

The vast majority of rural municipalities submitted requests for funding development projects of localities, which made the allocated funds insufficient in relation to the registered requests. Moreover, as previous studies reveal (Mikulcak et al, 2013) one of the most often mentioned issues by local authorities representatives, regarding the implementation of the NRDP 2007-2013 measures, referred to the insufficient amounts allocated through specific program measures, which resulted in the impossibility to fund a large part of the applications. We expect the situation to continue in the NRDP 2014-2020, given the fact that the planned funds for rural infrastructure development have not increased.

2. The modernization of villages through the European funds. The implementation of measure 322 of the NRDP 2007-2013

2.1. General information

This study aims to analyze the way the public investment program was carried out, under the measure 322 of the National Rural Development Programme 2007-2013, and to outline its strengths and its impact on rural infrastructure, emphasizing, at the same time, the problematic issues. The method of analysis used is represented by a mix of secondary analysis and the analysis of official documents made available by the Rural Investment Funding Agency (successor of the Payments Agency for Rural Development and Fisheries - the institution authorized to implement NRDP 2007-2013).

Through the measure 322 of the NRDP 2007-2013 over 800 projects for rural infrastructure development have been financed, with a total amount of 1.7 billion euros. The vast majority of villages have submitted projects under this measure, but only a quarter of the applications could benefit from financial support. In the conditions of a fierce competition in accessing grants, the differences between the success and the failure of the application was influenced by a number of objective factors, related to the way the applications were prepared, the coherence in the preparation of the administrative support document, or the suitability of the proposed targets to the specifications of the scoring grids. However, more than a few voices have raised the issue of the facilitation, or where appropriate, the blocking of the endeavors for preparing the applications, based on criteria of political influence. Even if this link is difficult to illustrate empirically, some of the representatives of local authorities who prepared applications based on the 322 measure of the NRDP used political criteria in explaining failure. Going beyond this kind of discussions, inherent in any competitive situation, the large number of submitted applications and the fact that the amounts allocated initially to the measure 322 have been supplemented several times, show that the interest in this line of funding was very high. Basically, local authorities have linked their hopes of financing local development projects to accessing grants, which caused the success or failure in accessing the amounts available through the NRDP to create a fault line between the villages which carry out large investments to modernize their local infrastructure, and those who cannot afford such financial efforts. The exceptions to this rule are quite few, and are represented by the small group of rich villages located in the expansion areas of the urban centers, which can afford financing the modernization of the infrastructure through their own revenues recorded at local budgets level (Mihalache, 2013).

The measure 322 was organized into five sub-measures (a, b, c, d and e), following specific objectives. Sub-measure "a", "b" and "c" followed the implementation of projects integrated by the modernization of rural infrastructure and the preservation of the particularities of the villages. Basically, the largest part of the amounts available under the measure 322 was allocated in 2008 and 2009 through these three sub-

measures. A total of 645 projects carried out at village level or by intercommunity development associations were supported financially with 1.579 billion euros. The specifics of these development initiatives aimed, primarily, to achieve ample investments with multiple objectives, circumscribed to the development needs at village level. Rehabilitation and modernization works of road infrastructure were financed, as well as works of establishment or extension of water and sewerage networks. At the same time, these sub-measures aimed the modernization of social infrastructure in villages (construction and renovation of kindergartens, after-school facilities, nursing homes etc.) and implementation of landscaping works. Sub-measure "d" was implemented in 2011 and pursued the restoration and modernization of road infrastructure, affected by floods in 2010. By this sub-measure, projects were funded in 143 villages, focusing exclusively on rebuilding access roads and bridges destroyed or affected by the floods. The total of the public amounts spent in this regard was 155.9 million euros. Finally, sub-measure "e", which started in early 2014, aims to support investments in broad-band infrastructure in rural areas.

Table 1. Characteristics of measure 322

	Objectives	Launched sessions of project submission	Total Budget (mil. Euro)	Beneficiaries	Number of selected projects
Sub-measures A, B and C	<ul style="list-style-type: none"> - The improvement of basic physical infrastructure in rural areas - The improvement of the access to basic public services for rural population - The increase of the number of renovated villages - The increase of the number of protected heritage sites from the rural areas 	2008-2009	1579.2	Local authorities, associations of inter-Community development and NGOs	645
Sub-measure D	Investments regarding works of restoration and modernization of road infrastructure damaged by floods in 2010	2011	155.9	Local authorities	143
Sub-measure E	Investments regarding the broad-band infrastructure in rural areas	2014	19,2	SMEs	51 selected, program underway

Source: Own processing of data provided by the Rural Investment Financing Agency (www.afir.ro)

2.2. The implementation of measure 322. General information and impact for the rural world

Considering the nature and common development targets, one relevant to this study addresses the need to not apply differentiated treatment to sub measures a, b and c. The distinctions that can be made between them are limited and do not provide relevant information, in the context of the present analysis. Beyond this general issue, it should be mentioned that the measure 322 was one of the financing lines of the European funding programs in which the available amounts were allocated in record time (basically, the 1.5 billion euros originally allocated were spent in just two years, after six sessions of submitting projects). Subsequently, in 2011 and 2014, the allocated amounts were increased, which led to launching the sub-measures d and e.

The launching of measure 322 represented a huge opportunity for local authorities from rural areas in terms of ensuring funding for large infrastructure investment projects. Basically, in the absence of other major government programs, this funding line was the main source of support for the investment in the modernization of villages. This meant that, in 2008 and 2009, the vast majority of the villages prepared and submitted applications for funding. The selection for funding of less than a quarter of the submitted projects has generated significant gaps between the villages with approved projects approved for funding, and those which did not receive this form of support.

Initially, through the sub-measures *a*, *b* and *c*, a total of 645 development projects were selected, out of which, the 29 which obtained the most generous budgets, between 4 and 6 million euros, were implemented by inter-community development associations. These forms of organization are association structures between several neighboring administrative units, in order to carry out micro-regional projects funded through the National Rural Development Programme, the Sectoral Operational Programme Environment and the Regional Operational Programme. In most cases, these structures are created ad hoc to ensure financing opportunities to which independent administrative units do not have access to. That was the case with many of these structures, which have developed projects based on measure 322, their establishment and functioning being driven by the emergence of funding opportunities. Although in the beginning of its activity, and without enough operational experience, this form of association is one of the ways to facilitate the integrated development of rural micro-regions. However, over 95% of the projects selected for funding had as beneficiaries villages and local councils, and aimed at achieving investments which were limited to the administrative boundaries of the units of this type, which leads us to believe that the reluctance of local authorities, combined with the lack of experience in running large micro-regional projects, were factors which favored the predominance of applications at village level at the expense of the intercommunity ones, in 2008 and 2009. The creation, in recent years, of the Local Action Groups financed through the axis IV of the National Rural Development Programme 2007-2013, which emphasizes the involvement at regional level of the authorities, the NGOs and the entrepreneurs from rural areas in elaborating and implementing development programs, is an exercise of intercommunity cooperation, which also promotes the growth of associations for intercommunity development in rural areas.

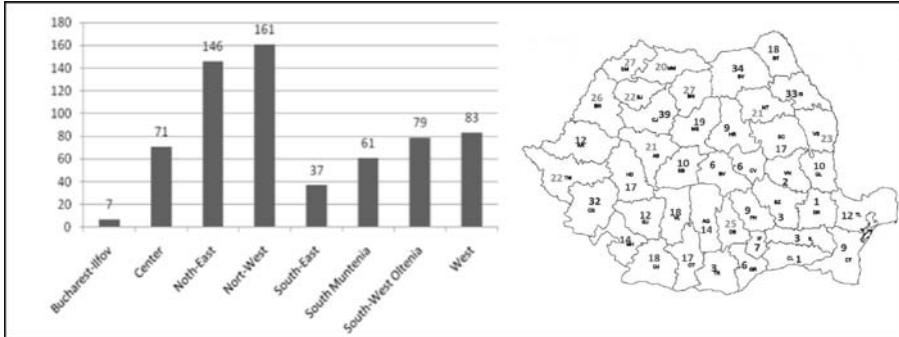
After these clarifications on the status of beneficiaries of the interventions under the measure 322, below we intend to illustrate some characteristics of how the amounts available were distributed through the sub-measures *a*, *b* and *c*. In 2008, 289 projects were selected for funding, and the following year 67 more, at the amounts originally scheduled were exhausted (Table 2). The insufficient available sums in relation to the registered demand has led to the appearance of waiting lists, through which a series of projects considered eligible and with a high rating were supposed to receive funding in the event that the initial financial allocation for these sub-measures were supplemented. This did not happen, causing strong criticism from the representatives of local authorities who were in this situation.

Table 2. The distribution of projects selected for funding by year and development regions

	Bucharest-Ilfov	Center	North-East	North-West	South-East	South Muntenia	Sud-West Oltenia	West	TOTAL
2008	2	24	76	64	15	21	62	25	289
2009	5	47	70	97	22	40	17	58	356
Total	7	71	146	161	37	61	79	83	645

Source: Own processing of data provided by the Rural Investment Financing Agency (www.afir.ro)

Figure 1. The distribution of the projects by regions and counties



Source: Own processing of data provided by the Rural Investment Financing Agency (www.afir.ro)

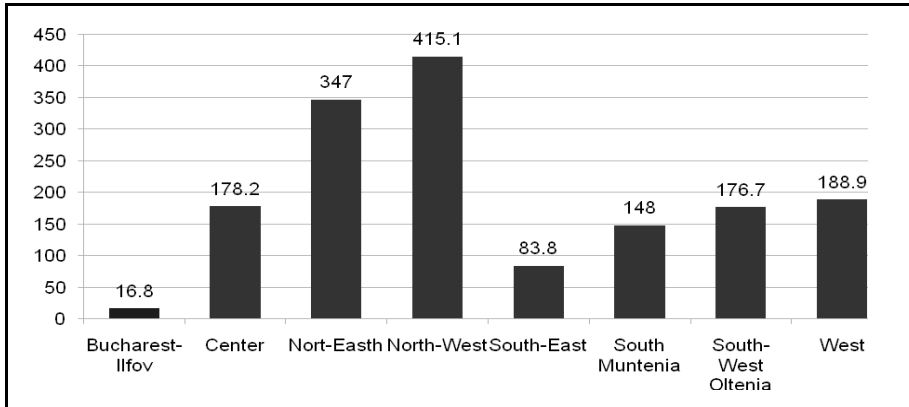
The data available in regional profile (Figure 1) shows a concentration of winning projects in the development regions North-East and North-West, where almost 48% of the grant beneficiaries were registered. The South East, South Muntenia and South West Oltenia regions quantified, on the other hand, a smaller number of projects selected for funding, even if the development deficits of many villages in these areas required the implementation of a higher number of projects. The situation of the counties presents itself even more unbalanced: the number of projects selected for funding reached maximum values in Cluj, Suceava, Iași and Caraș-Severin (in each of these counties, over

30 projects were selected for funding) and the minimum values in a series of counties from the South and South-East of the country (where a maximum of 3 applications were approved). Analyzing the chart regarding the distribution of projects by county, the first element that stands out is the fact that in areas with poor rural localities, such as Teleorman, Giurgiu, Călărași, Ialomița, Buzău, Brăila, Vrancea only 20 financing applications were approved collectively, which means approximately half of those financed in Cluj county, for example, where 39 projects of this type were carried out. It should also be noted that, in the counties of residence of the regional bodies involved in the implementation of the NRDP (Regional Centers for Rural Investment Financing), the number of approved projects is higher compared to most of the other counties which are part of the developing regions. The most eloquent examples are the counties of Dâmbovița, Alba and Iași.

The same unbalanced distribution can also be found in relation to the total allocated amounts of money, taking into account the territorial criterion. Most approved projects for financing in 2008 and 2009 stipulated budgets set in the range of 2-2.5 million euros, most beneficiaries choosing to apply for amounts close to the maximum available values. This led to registering a strong proportionality between the number of winning projects at regional or county level, and the amounts channeled to the beneficiaries of the selected projects. The winning projects from North-East and North-West developing regions have attracted almost half of the budget of measure 322, available through financing lines a, b and c, which means 762 million euros. The situation described becomes even more relevant by analyzing the amounts allocated in the county profile. Therefore, the total amount of selected projects in Cluj exceeded 100 million euros, in Iași it amounted to 83 million, in Suceava 79 million, and in Caraș-Severin there were approved investment projects of 71 million. At the opposite end of spectrum we can find the counties where a small number of applications for funding were approved, and where the total amount invested was below the threshold of 10 million (this is the case of Brăila, Buzău, Călărași, Ialomița, Teleorman and Vrancea). Basically, starting from these financial considerations, we can conclude that the sums' distribution, especially towards villages from certain districts, has contributed substantially to the improvement of their infrastructure and development, emphasizing already-existing development gaps. The issue raised from this point of view is not linked to the unequal distribution of sums in territorial profile, but to the fact that poor rural areas, without any possibility to finance infrastructure development programs from their own resources, have not benefited almost at all of these forms of public support.

In the discussions regarding the distribution of projects, several dimensions are included. First of all, we have as an explanatory variable the interest and the capacity of local authorities to develop successful applications, in full compliance with the provisions stipulated in the guidelines for applicants. On the other hand, we can talk about specific factors, such as the socio-economic coordinates of localities, or the provisions of the scoring grids, on the basis of which the assessment was made, through which have emerged barriers which many representatives of local authorities could not overcome. Based on the provisions reflected in the scoring grids, local authorities, in most cases with consulting firms, have tried to establish investment objectives as close as possible to the elements pointed out in the official scale.

Figure 2. The total amounts assigned under measure 322 (sub-measures a, b and c) by development regions



Source: Own processing of data provided by the Rural Investment Financing Agency (www.afir.ro)

This resulted in many of the applications being elaborated, based on a quite similar model, following several stages. The first one, the preparatory phase, implied the completion of some feasibility studies aiming at the villages' development goals. Consequently, a market of feasibility studies and local development strategies emerged, which represented a very beneficial opportunity for private companies, active in the field. Subsequently, in writing the applications, the candidates have sought to prove the need of running multiple targets investments (water and sewage networks, modernization of road transport routes, upgrading or construction of community centers and after-school facilities or nursing homes). All this process has led to a huge bureaucratic load, which most villages were unable to manage. Despite the involvement of consulting firms, the efforts to prepare the necessary support documents for the applications have caused an additional burden to the villages' administrative staff, which generated a series of significant delays in carrying out other specific activities. This context, where the steps for accessing non-reimbursable funding involved new procedures, as the administrative conditions regarding the implementation of the National Programme for Rural Development were in 2008-2009, resulted in the projects selected for funding coming from villages which knew best how to exploit the information, in a period of uncertainty and lack of experience of this type. Basically, the winning projects are largely the result of the collaboration between local authorities and companies specialized in writing projects, under the patronage of formal or informal networks.

In order to circumscribe the discussion related to the success of the applications submitted under the measure 322 on objective factors, we can consider that the elements that made the difference between the selected and rejected projects, based on the scoring grid, were:

- the poverty level calculated for the applying villages (the assignment of the scores was done based on a grid which was an appendix of the Guidelines for Applicants, and which was rather contested by local authorities' representatives);
- establishing, through the financing application, some complex investment objectives, integrated in the development strategies at regional level (to prove this, the applicant must attach to the financing application a letter from the County Council, certifying the classification of the investment project in the county or regional development strategy);
- the investment in water networks in the areas affected by drought, or with insufficient storage for the population (in these cases, the corresponding scores were granted only to the extent that the feasibility studies, conducted at the village level, demonstrated through statistical data the existence of a significant lack of water in the locality);
- the investment in road infrastructure, providing a land transport link between villages and main transport routes (national roads, county roads and railways). In this case, the maximum score was granted only to the extent that the need to conduct these investments was justified by feasibility studies;
- the investment projects in social infrastructure and in the preservation of local specificity, run by municipalities in partnership with NGOs or religious institutions.

In the second half of 2009, the 1.58 billion euros scheduled to be distributed under the measure 322 have been exhausted. Thus, from an administrative point of view, contracting the entire programmed budget in a very short period can be considered a success, but the amounts we are talking about, although substantial, have not been able to cover, even partially, the registered applications. A new chance for accessing non reimbursable funds appeared in the summer of 2011 when the Payments Agency for Rural Development and Fisheries (PARDF) launched a new line of funding under the measure 322. Consequently, through sub-measure d, 155.9 million euros were made available to municipalities, in order to finance some projects for the restoration and modernization of the road infrastructure affected by the floods in 2010. Unlike previous sub-measures, sub-measure d was made exclusively for certain villages, from specific regions, which has narrowed quite strongly the number of possible beneficiaries. Furthermore, the scoring grid presented a clearer elaboration. Out of the 100 points, 60 were granted on the basis of the calculation between the affected path length ratio and its total length. The rest of the points were awarded for the importance of the road for the village and connection to other routes, the poverty rate of the village and the integration of the investment objective in the county and the regional development strategies. At the same time, priority was given to localities that had not previously benefited from other forms of public support of this type. Under this line of financing, 143 entities (villages and intercommunity development associations) have benefited from financial aid, the average budget of a project being 1.1 million euros. Also, as a complement to the framework of intervention under the measure 322, in early 2014 the fifth sub-measure (sub-measure e) was launched, having a budget of 19.2 million euros and aiming to increase the penetration rate of broadband internet in rural

areas, providing for each of the selected projects public financial support of up to 200 thousand euros. The projects approved under this line are ongoing and it is too early to analyze both the way they are conducted, as well as their impact on rural population directly concerned.

3. Discussions and limits of measure 322

In the context of the budgetary coordinates of most Romanian villages, characterized by a low income share, the only way to finance infrastructure modernization projects is inextricably linked to European funds, and to the redistribution of public funds from the county budgets or the national budget. For the last years, however, the funds allocated by the County Councils and various Ministries for rural infrastructure modernization objectives, were limited, and accessing them was conditioned by a number of factors of economic context or political affiliation. Therefore, the amounts available through the National Rural Development Programme, the Sectoral Operational Programme - Environment and the Regional Operational Programme represented the only open path to local authorities in poor or medium developed villages for modernization work targeting the public and social infrastructure. Measure 322 of the NRDP stood out in the European financing lines, through the opportunities offered to this type of support investments in rural areas. The 1.56 billion euros made available under sub-measures a, b and c, to which 155.9 million euros were allocated under sub-measure d, were a real breath of fresh air for rural areas pressured by the lack of funding aimed at the establishment, extension or modernization of utility networks, road networks or the construction and renovation of social, educational or medical units.

Beyond any reference as to how the implementation of measure 322 was conducted, it must be made clear that the investments carried within it contributed substantially, along side other funding lines in the NRDP, to the generation of substantial changes for the realities of the Romanian village. To the almost 25% of the villages which managed to benefit from non-reimbursable funding under measure 322, are added the localities that have developed projects in other operational programs, which nowadays allowed the general situation of the villages, at least in statistical terms, to undergo significant improvements in terms of infrastructure and living conditions of the population, compared to the situation recorded before 2007. Statistical data provided by the INS fully prove this evolution (Table 3). It is to be expected that the data for the years 2014 and 2015 to further contribute to the continuation of this trend, given that many of the ongoing investments are close to completion.

What we can emphasize regarding the non-compliant aspects in the development of the investments program under measure 322, is connected to the discussion of four important elements: the lack of training of the local authorities in accessing the funds, the repeated changes of the scoring grids and the relativity of some of the quantified criteria, the concentration of the winning projects in certain areas of the country, and the procedural and bureaucratic conditions which have slowed down the progress of the projects. The lack of experience of the local authorities was evident in 2008, when at the distribution of the largest part of the total sum available, only a small part of the

mayors really knew the conditions of the program. Basically, the local representatives who were fastest at organizing them selves, and who have established contacts with specialized consultancy firms, were those who were successful in attracting funds. Most likely, the experience of the first sessions for submitting projects was a trial period both for the bodies involved in the implementation and management, as well as for the beneficiaries. The scoring grids, and especially their changes between the sessions for submitting the projects, were one of the main sources of frustration for the applicants. Adjustments arising in 2008 and 2009, through which the importance of evaluation criteria was amended, received criticism both from the representatives of local administration, as well as the NGO sector or the firms involved in writing projects. Basically, by modifying the scoring grids in the short periods between the sessions for submitting proposals, the rules of the game during the competition were changed, which led to delays and blockages for many villages in the process of application. However, the concentration of the winning projects in some areas, in the detriment of others, at least as poor and dependent of public financing, was another problematic element, which left a negative imprint on the evaluation stages of the submitted projects. Finally, the bureaucracy and the burdened procedural provisions represented discouraging and disruptive elements in the preparation of the applications and the implementation of the projects. Among the difficulties of this type, the need for feasibility studies and the existence of local development strategies, and the approvals obtained from various authorities, represented compulsory tasks which the applicants had to solve through their own efforts, in the attempt to increase the chances of accessing the available funds.

Table 3. The evolution of the main indicators on rural infrastructure between 2007 and 2013

	Localities that have water networks	The length of the water network (km)	Localities that have sewerage	Localities that have a natural gas network
2006	1752	24868	400	579
2013	2050	43685	672	657
Evolution (%)	17,00%	76,00%	68,00%	14,00%

Source: Own processing of data provided by National Statistics Institute- Tempo Online

The drawn conclusions, from how the measure 322 of the NRDP 2007-2013 was implemented, refer to, on the one hand, the important role held by this line of funding in the modernization of villages and increasing the population's quality of life, and on the other hand, they challenge the imperfections arising in the selection processes, the contracting and implementation of projects. It is to be expected that in the 2014-2020 financial programming, both the representatives of the local authorities, the inter-community development agencies and local action groups, as well as the specialists

from the bodies involved in the implementation and monitoring of rural development programs, take into account the experience gained during the previous period, in order to optimize the future sessions of projects submissions.

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