

**PROJECT FICHE FOR PHARE 2006**

**FOR**

**Horizontal industry support provided to Romanian companies  
to fulfill the requirements of the EU market**

**PHARE 2006/018-147.02.02**

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## **1. Basic Information**

1.1 CRIS Number: PHARE 2006/018-147.02.02

1.2 Title: Horizontal industry support provided to Romanian companies to fulfill the requirements of the EU market

1.3 Sector: Internal market

1.4 Location: Romania

1.5 Duration: 15 months

## **2. Objectives**

2.1 Overall objective:  
Increased capability of Romanian companies to face competition on the EU market

2.2 Project purpose:  
Increased compliance of Romanian companies with the Acquis Communautaire, thus preparing them to cope with the competitive pressure within the EU through targeted support in specific accession-related aspects, by achieving compliance with EU standards in: environment protection, product and work safety, and registration, evaluation, and authorisation of chemicals.

2.3 Accession Partnership (AP) and NPAA priority  
The Accession Partnership (2003) and further regular (2004) and monitoring (2005) reports are pointing out the necessity for Romania to undertake important measures in some sectors to complete alignment with the Acquis Communautaire.

In the Accession Partnership it is stated that: “It is also important that Romania fulfils the commandments of legislative approximation under European Agreement and the screening exercise. It should be recalled that incorporation of the acquis into legislation is not in itself sufficient: it will also be necessary to ensure that it actually applied to the same standards as those which apply in the Union.”

The Regular Report (2004) specifies that: “As regard air quality, transposition of Community rules on emission from non-road mobile machinery needs to be completed. Various assessments regarding air quality need to be completed, and action plans and monitoring systems prepared and implemented.” It mention also that: “Concerning sector specific legislation for areas covered by old approach directives, further steps are required in some sectors to complete alignment with the acquis, in particular as regard chemicals.”

Monitoring Report (2005) identifies issues which require special attention of the Romanian authorities: “Increased efforts are needed as regards horizontal and procedural measures and old approach sectoral legislation. In order to complete accession preparations, Romania must considerably upgrade its administrative capacities in the field of accreditation. Enhanced efforts are still needed to complete transposition of the old approach acquis (...)” and further “(...) awareness-raising of and training on health and safety requirements among employers, especially in SMEs, should continue.”

2.4 Coherence with National Development Plan  
Not applicable

2.5 Cross Border Impact  
Not applicable

### 3. Description

#### 3.1 Background and justification:

#### **Task 1 – Support to Romanian SMEs from selected sectors to comply with EU directives regarding work safety, product quality and safety, and environment protection**

According to the *Second Copenhagen criterion*: “The existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union”, through a series of combined measures, addressing the same issue – the need for the complete alignment to the *Acquis* – into three specific areas, namely:

- work safety, product safety, and environmental protection, addressing mainly to SMEs from manufacturing industry

The Industrial Policy of Romania, issued by the Ministry of Economy and Commerce on September 2005, states the following objectives:

- increase of competitiveness;
- increased role of research-development and innovation;
- promoting a sustainable management for resources and environmental protection;
- improvement of professional qualification and employment;
- development of co-operation and industrial services as well as of public-private partnership;

A special emphasis will be put on the development of the SME sector, by acting in the following strategic directions:

- creation of a business environment favourable to the setting up and development of SMEs;
- development of the competitive capacity of SMEs;
- improving the access of SMEs to financing;
- improving the access of SMEs on external markets;
- promotion of the entrepreneurial culture and strengthening managerial performances.

One of the priorities decided by MEC is to provide support to sectors such as **furniture, wood processing, electronics/electrotechnics, and textile industry** to companies meeting three criteria:

- export companies;
- important growth potential, and
- high value added production.

A sectoral analysis undertaken by UEA, the European Furniture Manufacturers Federation, in partnership with Cei-Bois and national trade organisations, with support of a grant under the Phare BSPII (Project Phare 2002/031-573) audited over 500 furniture companies to identify their compliance with 19 EU Directives, in 9 member states and candidate countries. This project also established the work needed in order to conform to the requirements of the EU directives concerning health and safety, as well as environment protection. The overall results showed that: “...in general, the companies are totally unprepared and will need both technical

assistance and financial support to succeed in regularising their situation”, and more specifically “The worst performances are noted in Bulgaria and Romania which show less than 40% overall compliance with the examined directives (...)”

In Romania there were 60 audits undertaken, leading to the following findings:

- none of the companies audited was fully compliant with the EU directives considered;
- experts could verify a very serious lack of knowledge of the EU legislation by companies. As a conclusion, the Report recommends an effective intervention on the furniture industry, based on two pillars: on field technical assistance and new investments, with the provision of new financial instruments, to allow Romanian companies to upgrade and replace their equipment and machinery.

This Task will provide useful inputs to a joint EBRD/EU project, currently under preparation, under the heading “Facility to support Romanian companies in the production sector to adopt EU standards on quality and environment.” EBRD will contribute with 40 MEUR, while Phare Economic and Social Cohesion will provide co-financing of 8 MEUR. Local banks would receive loans for on-lending to Romanian private companies (“sub-borrowers”). Loans will be provided to Romanian SMEs, having majority private ownership and control, as well as being majority owned by Romanian residents, satisfying the following criteria:

- a company will meet legal criteria for SME definition, regarding maximum number of employees, and maximum turnover; companies will be manufacturers belonging to the selected export-oriented sectors;
- companies demonstrating a strong need for investments in order to comply with EU directives requirements;
- companies that can meet performance standard defined by the local bank.

Should the sub-borrower demonstrate the achievement of the defined performance indicators, the remaining 20% of the loan will be covered by the Phare ESC. A further agreement will be signed by EBRD and EU Phare. The financing scheme will be open, not necessarily restricted to the SMEs selected within this project.

### **Task 2 – Support to Romanian companies to comply with the EU requirements for the implementation of REACH (Registration, Evaluation, and Authorisation of Chemicals)**

In 2003, the European Commission adopted a proposal for a new regulatory framework for chemicals, aiming at improving the protection of human health, as well as the environment, while maintaining the competitiveness and enhancing the innovative capability of the EU chemical industry. Under the proposed new system called REACH (Registration, Evaluation, and Authorisation of Chemicals), enterprises that produce or import more than one tonne per year of a chemical substance would be required to register in a central data base, developed within the European Agency for Dangerous Chemical Substances, which is going to be established. At this stage REACH is a draft proposal, the project will take into consideration its future developments and will be adjusting accordingly, following the adoption of REACH. Each EU country will be required to set up its own National Agencies, assigned with registration of files, together with chemical safety reports for each of such substance. The registration cost would be borne by companies which decide to use those chemicals. REACH system would furthermore give greater responsibility to the industry to manage the risks deriving from producing and handling chemicals and to provide safety information on chemical substances. REACH system was approved after consultation of the European associations of the relevant industries, with which national associations are affiliated.

REACH represents an important challenge because it will amend or **repeal almost 29 European legislative acts currently in force.**

### 3.2 Sectoral Rationale

Not applicable

#### 3.2.1. Identification of projects

Not applicable

#### 3.2.2. Sequencing

Not applicable

### 3.3 Results

#### **Task 1 - Support provided to Romanian SMEs from selected sectors to comply with EU directives regarding work safety, product quality and safety, and environment protection**

- Auditing, evaluation and action planning
  - directives to be implemented defined
  - pilot SMEs selected
  - auditing methodology, and instruments elaborated
  - financial needs evaluation methodology, and instruments elaborated
  - alignment planning methodology elaborated
  - audits implemented
  - evaluations implemented
  - alignment plans designed
- Training of managers from the target companies and Business Representatives Organisations (BROs)
  - training needs assessed and training plan elaborated
  - managers from selected companies trained
  - BRO representatives trained
  - training evaluated

#### **Task 2 - Support provided to Romanian companies to comply with the EU requirements for the implementation of REACH (Registration, Evaluation, Authorisation of Chemicals)**

- Assessment of the impact of the introduction of the REACH system upon the Romanian industry
  - methodology and instruments elaborated
  - companies for impact assessment selected
  - impact assessed
- Creation of the institutional capacity of the Romanian authorities for implementing REACH regulations
  - guidelines, methodology, and procedures elaborated
  - training needs assessed, and training plan elaborated
  - civil servants trained
  - training evaluated

- Training of managers from the target companies
  - training needs assessed, and training plan elaborated
  - managers trained
- Information campaign
  - communication mix and plan elaborated
  - communication plan implemented
  - communication impact assessed

### 3.4 Activities (including Means)

Task 1 aims at supporting Romanian SMEs from **furniture, wood processing, electronics/electrotechnics, and textile industry sectors** to comply with EU directives regarding work safety, product quality and safety, and environment protection. Such support should employ adequate tools, comprising combined measures such as:

- auditing the existing situation of companies, evaluation of the company financial needs for investment, and elaboration of alignment plans, including recommended corrective measures;
- providing specific information and training to the company managers.

Although focus will be put on the implementation of selected directives, information and training could have a wider scope, covering some other areas ( for instance quality and other environmental aspects, etc) were Romanian companies need to improving their activity, in order to face competition on the EU market.

Task 1 will comprise technical assistance for the following activities:

#### **Activity 1 – Auditing, evaluation and alignment planning**

##### *1.1.1. Definition of directives to be implemented*

##### *1.1.2. Selection of pilot SMEs from the selected sectors*

Criteria for selection will be decided for each sector, and a manual, describing selection criteria, will be printed and distributed to the interested SMEs in the 4 sectors. A selection session will be organised and about 100 SMEs meeting the decided criteria, will be selected for each of the 4 sectors. The selection will be national and the Selection Committee will include representatives from the interested parties such as: Ministry of Economy and Trade, NASMEC and professional associations from the four selected industrial sectors.

##### *1.1.3. Design of auditing, evaluation, and alignment planning methodology and instruments*

##### *1.1.4. Auditing of pilot SMEs*

The current status of compliance with the EU directives of the selected pilot SMEs will be audited by the TA team on the basis of the approved auditing methodology.

##### *1.1.5. Elaborate cost evaluation and alignment plans for pilot SMEs*

The necessary costs for compliance with the EU requirements will be evaluated and further alignment plans will be elaborated by the TA team. Company management, properly trained within Activity 2, will be actively involved in this activity.

#### **Activity 2 – Training of managers from pilot SMEs**

##### *1.2.1. Training needs assessment and elaboration of the training plan*

##### *1.2.2 Implementation of the training plan*

### *1.2.3. Evaluation of the impact of training on the participants*

The outcomes of this Task could be further employed in all other sectors of the Romanian industry, where similar needs would be later identified.

## **Task 2 Support provided to Romanian companies to comply with the EU requirements for the implementation of REACH (Registration, Evaluation, Authorisation of Chemicals)**

With a view to support Romanian companies to comply with REACH new requirements, this Task will address the main actors on the market, namely public authorities and companies, through a series of measures, as follows:

- assessment of the impact of the introduction of the REACH system upon various Romanian industries;
- provision of support to the Romanian authorities, through information and training concerning new methodology, procedures and guidelines for the implementation of the REACH regulations;
- provision of support to the Romanian companies, through information and training, with a view to make them aware of the necessity to comply with the REACH requirements, and to make them capable to undertake the necessary actions.

Task 2 will comprise technical assistance for the following activities:

### **Activity 1 Assessing of the impact of the introduction of the REACH system upon the Romanian industry**

#### *2.1.1. Elaborate methodology and instruments for impact assessment*

##### *2.1.1. Select companies for impact assessment*

The selection methodology is focusing on companies meeting the criteria of intensive using the chemical substances in the manufacturing process (for instance: automotive, organic chemistry, textile industry, IT, flexible packages, etc). In order to ensure a maximum impact of the project intervention upon Romanian environment protection, there will be selected the Romanian companies from the aforementioned sectors, with the maximum impact on environment from the REACH perspective. As these are large companies, the minimum number of pilot companies will be at least 5 companies (at least one per each selected sector).

#### *2.1.2. Assessment of the impact of the introduction of the REACH system in the selected companies*

The assessment will identify the major investments costs required for the ensuring the compliance with REACH requirements for each of the companies selected in the pool of pilot companies, as well as the positive outcomes for the targeted companies.

### **Activity 2 Creating of the institutional capacity of the Romanian authorities for implementing REACH regulations**

#### *2.2.1. Elaborate methodology, procedures and guidelines for implementation of REACH regulations*

#### *2.2.2. Training needs assessment and elaboration of the training plan*

#### *2.2.3 Implementation of the training plan*

#### *2.2.4. Evaluation of the impact of training on the participants*

##### **Activity 3 -Training of specialists from the target companies**

**The Consultant will select the target companies based on selection criteria agreed with the Beneficiary of the project.**

#### *2.3.1. Training needs assessment and elaboration of the training plan*

#### *2.3.2 Implementation of the training plan*

#### *2.3.3. Evaluation of the impact of training on the participants*

##### **Activity 4 – Information campaign among Romanian companies**

2.4.1 *awareness campaign* about the necessity to understand REACH regulations and the future impact on companies;

2.4.2. *describe the roles responsibilities of each of the actors* responsible to comply the new REACH regulations

#### 3.5 Linked Activities:

Task 1 of the present Project originates in the finding and recommendations generated by an EU project financed under ***BSP II PHARE Programme, Contract no 2002/031-573 Project “FACTS Furniture Acquis Communautaire Transfer System”***.

***Twinning project RO2000/IB/OT/03 between the Ministry of Economy and Commerce of Romania and the Department of Trade and Industry from United Kingdom during 2001-2003***, involving also the Ministry of Economy, Finance and Industry of France, and the Ministries of Economy and Industry of Poland and Czech Republic as partners, provided technical assistance services (including workshops and seminars) focusing on several aspects of the industrial policy. Romanian participants were representatives from MEC, professional associations, employers' organizations, and companies. Subjects cover various techniques for industrial policy design, implementation of Acquis, transfer of best practice, benchmarking of three Romanian companies from different industrial sectors with similar EU companies, improved regulations, etc. This project issued the following recommendation, which were considered by Task 1 of the present project, namely:

- to increase the competitiveness of industrial products in those sectors with high value added and
- to monitor and control the implementation of the Acquis Communautaire in the Romanian industry.

***Project ROM 00/001 “Strengthening Romania's Export Capacity”, implemented during 2001-2004***, comprised two pilot sub-projects, and was addressed to the Romanian furniture and textile sectors. The Project was financed by Swiss Government and UNDP Bucharest, and assistance was provided by ITC.

Those two sectors were chosen by MEC due to their export capacity. This Project comprised two stages: (1) auditing of 13 pre-selected furniture companies and (2) an in-depth survey of three selected companies. International assistance focused on production engineering, health and safety, product design, marketing, quality control, integrated software programmes for enterprise resource planning and assistance for human resources. The results, conclusions and

recommendations of this Project were disseminated in companies. This Project issued as main recommendations:

- to improve the competitiveness at the enterprise level, and
- to create a coherent strategy for the development of the furniture sector in an enlarged Europe,

Those recommendations were used in the definition of the present Project fiche.

***Twinning Project “Implementation of the harmonized legislation on occupational safety and health in small and medium-sized enterprises”*** is going to be implemented during 2005 – 2007, by the Romanian Labour Inspection as the Implementing Authority. This Project has as purpose to make the employers and employees aware of and to train them on the obligations to observe the Romanian legislation transposing the EU directives in the field of occupational safety and health; to implement such legislation in 6 Romanian SMEs in order to achieve a healthy and safe environment for all employees.

***EBRD/EU Project “Facility to support Romanian companies in the production sector to adopt EU standards on quality and environment”***. EBRD will contribute with 40 MEUR, while Phare Economic and Social Cohesion will provide co-financing of 8 MEUR. Local banks would receive loans for on-lending to Romanian private companies (“sub-borrowers”). Loans will be provided to Romanian SMEs, with a view to adopt EU standards on quality and environment. Should the sub-borrower demonstrate the achievement the defined performance indicators, the remaining 20% of the loan will be covered by the Phare ESC. A further agreement will be signed by EBRD and EU Phare.

### 3.6 Lessons learned:

See annex 7

## 4. Institutional Framework

### Implementing Authority

PIU established within the Ministry of Economy and Commerce (MEC) is the main body responsible for the overall management of this Project. The Ministry of Economy and Commerce is responsible for the co-ordination of the projects findings and results.

## 5. Detailed Budget

	Phare/Pre-Accession Instrument support	Co-financing			Total Cost
€M		National Public Funds (*)	Other Sources**	Total Co-financing	

				<b>of Project</b>	
<b>Year 2006 Institution Building support</b>					
Task 1	3				3
Task 2	0.7				0.7
<b>IB support sub-total</b>	<b>3,7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,7</b>
<b>Total project 2006</b>	<b>3,7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,7</b>

(\*) contributions from National, Regional, Local, Municipal authorities, IFIs loans to public entities, funds from public enterprises

(\*\*) private funds, IFIs loans to private entities

## 6. Implementation Arrangements

### 6.1 Implementing Agency

The Ministry of European Integration will be the **Implementing Agency**, and will be responsible for overseeing the procedures applied, as well as for contracting, payments and financial reporting (Programme Authorising Officer).

#### **Contact:**

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### **Implementing Authority**

The Implementing Authority for this project will be the Ministry of Economy and Trade, Directorate for Programmes with International Organizations which is responsible for the implementation of the project.

#### 6.2 Twinning

Not applicable

#### 6.3 Non standard aspects

Not applicable

#### 6.4 Contracts

This Project will be implemented through 2 TA service contracts, one for each Task. Maximum amount for Task 1 is 3 mil Euro and maximum amount for Task 2 is 0,7 mil Euro.

## 7. Implementation schedule

### 7.1 Start of tendering/call for proposal

Start of tendering for TA service contracts – September 2006

### 7.2 Start of project activity

Start of activity – April 2007

### 7.3 Project completion

Project completion – June 2008

## **8. Equal opportunity**

Equal opportunity is a fundamental principle of this Project. Ensuring equal opportunity will be embedded at every level of implementation.

## **9. Environment**

This Project will have a positive impact on the environment, as most of its activities are oriented towards compliance of company operations with the EU requirements in the area of environment protection. Environmental impact reports will be undertaken when required by the Practical Guide and the Romanian law.

## **10. Rates of return**

Not applicable

## **11. Investment criteria**

### **11.1 Catalytic effect**

The support to SMEs will reinforce the entrepreneur skills and will increase the capacities of the respective companies. It will catalyze the creation of competitiveness of the Romanian SMEs through a more efficient organization and operations.

### **11.2 Co-financing**

Not applicable.

### **11.3 Additionality**

Not applicable.

### **11.4 Project readiness and size**

Not applicable.

### **11.5 Sustainability**

Not applicable.

### **11.6 Compliance with state aids provisions**

All actions financed by Phare under this Project will be carried out in line with the rules and procedures of the Practical Guide to EU Assistance and comply with the state aid requirements.

## **12. Conditionality and sequencing**

Not applicable.

## **ANNEXES TO PROJECT FICHE**

1. Logframe in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule
4. Reference list of feasibility/pre-feasibility studies, in-depth ex ante evaluations or other preparatory work
5. Reference list of relevant laws and regulations
6. Reference list of relevant strategic plans and studies

## Annex 1- Logframe

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number	<b>PHARE 2006/018-147.02.02</b>
<b>Name of the project</b>  <b>Support provided to Romanian companies to fulfil the requirements of the EU market</b>		Contracting period expires  November 2008	Disbursement period expires  November 2009
		Total budget  3,7 MEUR	Phare budget  3,7 MEUR
<b>Overall objective</b>	<b>Relates to Copenhagen criterion and acquis chapter</b>	<b>List of other projects with same objective</b>	
<b>Increased capability of Romanian companies to face competition on the EU market</b>	Second Criterion: "The existence of a functioning market economy as well as the capacity to cope with a competitive pressure and market forces within the Union"		
<b>Project purpose</b>  Increased compliance of Romanian companies with the <i>Acquis Communautaire</i> , thus preparing them to cope with the competitive pressure within the EU through targeted support in specific accession-related aspects, by achieving compliance with EU standards in: environment protection, product and work safety, and registration, evaluation, and authorisation of chemicals.  To be achieved by the following tasks:	<b>Objectively verifiable indicators</b>  OVI Task 1 An increased number of SMEs from selected sectors are complying with the relevant EU Directives  OVI Task 2	<b>Sources of Verification</b> Sectoral surveys Official statistics (national and international) Statistics on the results of controls undertaken by the relevant official bodies EU monitoring reports in the domain Interim evaluation reports Monitoring reports	<b>Assumptions</b> Continuation of the Romanian Government commitment to addressing the specific issues and allocation of the necessary resources  Timely adoption and implementation of the new legal provisions in the area  Commitment of the sectoral Business Representative Organisations (BROs) to support the project

<p>Task 1 Support provided to Romanian SMEs from selected sectors to comply with EU Directives regarding work safety, product quality and safety and environment protection</p> <p>Task 2 Support provided to Romanian companies to comply with the EU requirements for the implementation of REACH (Registration, Evaluation, and Authorisation of Chemicals)</p>	<p>An increased number of companies are complying with the requirements of REACH</p>		<p>Commitment of the target companies to allocate the necessary resources</p>
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<p>Results fulfilling the overall purpose</p> <p>Results Task 1 <u>Activity 1</u> – Auditing, evaluation and action planning</p> <ul style="list-style-type: none"> <li>- directives to be implemented defined</li> <li>- pilot SMEs selected</li> <li>- auditing methodology, and instruments elaborated</li> <li>- financial needs evaluation methodology, and instruments elaborated</li> <li>- alignment planning methodology elaborated</li> <li>- audits implemented</li> </ul>	<p>OVI purpose</p> <p>OVI Task 1 <u>Activity 1</u></p> <ul style="list-style-type: none"> <li>Directives to be implemented defined</li> <li>100 Pilot SMEs selected</li> <li>Auditing methodology, and instruments elaborated</li> <li>Financial needs evaluation methodology, and instruments elaborated</li> <li>Alignment planning methodology elaborated</li> <li>100 companies audited</li> <li>100 companies' financial needs</li> </ul>	<p>Sectoral surveys</p> <p>Official statistics (national and international)</p> <p>Statistics on the results of controls undertaken by the relevant official bodies</p> <p>EU monitoring reports in the domain</p> <p>Interim evaluation reports</p> <p>Monitoring reports</p> <p>Project reports</p>	<p>Good collaboration and synergy between all involved organisations</p> <p>Adequate resources made available by beneficiary organisations to allow maximum benefits for the project results</p> <p>Commitment of the Romanian companies to nominate and send participants to the training programmes</p> <p>Low level of staff turnover in the beneficiary organisations</p>

<ul style="list-style-type: none"> <li>- evaluations implemented</li> <li>- alignment plans designed</li> </ul> <p><u>Activity 2</u> – Training of managers from the target companies and BROs representatives</p> <ul style="list-style-type: none"> <li>- training needs assessed and training plan elaborated</li> <li>- managers from selected companies trained</li> <li>- BRO representatives trained</li> <li>- training evaluated</li> </ul> <p>Results Task 2</p> <p><u>Activity 1</u> – Assessing of the impact of the introduction of the REACH system upon the Romanian industry</p> <ul style="list-style-type: none"> <li>- methodology and instruments for impact assessment elaborated</li> <li>- companies selected</li> <li>- impact assessed in selected companies</li> </ul> <p><u>Activity 2</u> – Creating of the institutional capacity of the Romanian authorities for implementing REACH regulations</p> <ul style="list-style-type: none"> <li>- guidelines, methodology, and procedures elaborated</li> <li>- training needs assessed, and training plan elaborated</li> <li>- specialists trained</li> </ul>	<p>evaluations</p> <p>100 alignment plans elaborated</p> <p><u>Activity 2</u></p> <p>Training needs assessed and training plan elaborated</p> <p>companies per sector included in the training programme</p> <p>trained managers</p> <p>trained BRO representatives</p> <p>OVI Task 2</p> <p><u>Activity 1</u></p> <p>Methodology and instruments for impact assessment elaborated</p> <p>Impact assessed in the selected companies (at least 5 companies per selected sector)</p> <p><u>Activity 2</u></p> <p>Guidelines, methodology, and procedures elaborated</p> <p>Training needs assessed, and training plan elaborated</p> <p>specialists trained</p>	<p>Open access and information of all stakeholders to the relevant information</p>
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<ul style="list-style-type: none"> <li>- training evaluated</li> </ul> <p><u>Activity 3</u> – Training of specialists from the target companies</p> <ul style="list-style-type: none"> <li>- training needs assessed, and training plan elaborated</li> <li>- managers trained</li> </ul> <p><u>Activity 4</u> – Information campaign among companies</p> <ul style="list-style-type: none"> <li>- communication mix and plan elaborated</li> <li>- communication plan implemented</li> <li>- communication impact assessed</li> </ul>	<p><u>Activity 3</u></p> <p>Training needs assessed, and training plan elaborated</p> <p>companies included in the training programme</p> <p>specialists trained</p> <p><u>Activity 4</u></p> <p>companies informed, and convinced</p>		
<b>Activities</b>	<b>Means</b>		<b>Assumptions</b>
<p>Activities Task 1</p> <p><u>Activity 1</u> – Auditing, evaluation and action planning</p> <p>1.1.1. Defining of directives to be implemented</p> <p>1.1.2. Selection of pilot SMEs from the selected sectors</p> <p>1.1.3. Design of auditing, evaluation, and realignment planning methodology and instruments</p> <p>1.1.4. Auditing of pilot SMEs</p> <p>1.1.5. Elaborate cost evaluation and realignment plans for pilot SMEs</p>	<p>Means Task 1</p> <p>Task 1 will be implemented through a TA service contract of 3 MEUR</p> <p>Means Task 2</p> <p>Task 2 will be implemented through a TA service contract of 0.7 MEUR</p>		<p>Availability of target group members to participate in the project activities</p>

Activity 2 – Training of managers from pilot SMEs and BRO representatives

1.2.1. Training needs assessment and elaboration of the training plan

1.2.2 Implementation of the training plan

1.2.3. Evaluation of the impact of training on the participants

Activity 3 – Financial support to SMEs

1.3.1. Defining the financial support scheme and concluding the agreement with EBRD

1.3.2. Monitoring of implementation of the financial support scheme and provision of grants

1.3.3. Assessment of the impact on the pilot SMEs

1.3.4. Dissemination of results among companies from the selected sectors

Activities Task 2

Activity 1 – Assessing of the impact of the introduction of the REACH system upon the Romanian industry

2.1.1. Elaborate methodology and instruments for impact assessment

<p>2.1.1. Select companies for impact assessment</p> <p>2.1.3. Assessment of the impact of the introduction of the REACH system in the selected companies</p> <p><u>Activity 2</u> – Creating of the institutional capacity of the Romanian authorities for implementing REACH regulations</p> <p>2.2.1. Elaborate methodology, procedures and guidelines for implementation of REACH regulations</p> <p>2.2.2. Training needs assessment and elaboration of the training plan</p> <p>2.2.3. Implementation of the training plan</p> <p>2.2.4. Evaluation of the impact of training on the participants</p> <p><u>Activity 3</u> – Training of managers from the target companies</p> <p>2.3.1. Training needs assessment and elaboration of the training plan</p> <p>2.3.2. Implementation of the training plan</p> <p>2.3.3. Evaluation of the impact of training on the participants</p>		
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<p><u>Activity 4</u> – Information campaign among producers and importers</p> <p>2.4.1 Elaboration of the communication mix and plan</p> <p>2.4.2Implementa-tion of the communication plan</p> <p>2.4.3 Assessment of the impact on the target group</p>			
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## Annex 2 - Detailed time implementation chart

TASKS	2006												2007												2008											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	
Task 1												C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I						
Task 2												C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I									

## Annex 3 - Cumulative Contracting and Disbursement Schedule

Components	2006	2007				2008		Total
	Q1	Q1	Q2	Q3	Q4	Q1	Q2	
Contract 1 – TA Task 1								
Contracted		3						3
Disbursed		1.2	1.2	1.2	2.4	2.4	3	3
Contract 2 – TA Task 2								
Contracted		0.7						0.7
Disbursed		0.28	0.28	0.28	0.56	0.7		0.7

#### **Annex 4 - Reference list of feasibility/pre-feasibility studies, in-depth ex ante evaluations or other preparatory work**

Report to BSPII PHARE Programme, Contract no 2002/031-573 Project “FACTS Furniture Acquis Communautaire Transfer System”

#### **Annex 5 - Reference list of relevant laws and regulations**

##### **Task 1**

EC Directives: 76/464, 89/106, 86/188-03/10, 89/654, 89/655, 89/656, 90/269, 90/270, 90/394, 91/689, 92/58, 92/59-01/95, 92/85, 94/33, 94/62, 96/61, 98/24, 99/92, 99/13, 99/31, 00/76, 02/44

##### **Task 2**

EC Directives: 64/548 with amendments, 99/45

#### **Annex 6 - Reference list of relevant strategic plans and studies**

Document on Industrial Policy, Ministry of Economy and Commerce

#### **Annex 7 – Lessons learnt**

The design of the present Project was elaborated taking into consideration findings and recommendations issued by various EU reports, as follows:

Under the grant contract ***BSPII PHARE Programme, Contract no 2002/031-573 Project “FACTS Furniture Acquis Communautaire Transfer System”***, awarded to the UEA (Union Européenne de l’Ameublement) in 2003, sector specific auditing tools have been developed and 550 company information audits were undertaken, out of which **50 in Romania**. The audit scheme concentrated on the sector specific mandatory legislation in related to work safety, environment protection and product safety. The analysis of the audits clearly demonstrated the lack of knowledge about the Acquis at the company level and a very low degree of compliance of the participating companies with the provisions of specific EU directives.