

Annex 6 - Lessons learnt

Lesson learnt for Phare 2005

<i>Identified Gaps/ recommended courses of intervention</i>	<i>Action for covering the Gap or implement the recommended intervention</i>	<i>Phare programming</i>	
		<i>2004</i>	<i>Project 2005</i>
<p>"In the fiscal sector, reform should target: improved budgetary procedures and a tighter control over public expenditures"¹.</p> <p>"Modernization of the fiscal administration"²</p>	<p>- Improvement of the VAT process for ensuring that both the fiscal administration and the taxpayers involved are ready to comply with the harmonised legislation in the VAT field.</p>		<p>1.3 "Training and Info Campaign necessary to ensure successful introduction of the EU VAT acquis in Romania" (technical assistance)</p>
<p>"Romania must ensure the existence of the adequate administrative and legislative structures necessary for programming, coordination, management, control and evaluation of the Pre-Accession Funds"³; „ A special attention must be offered to the institution responsible for the management of the EU funds"⁴</p>	<p>Supplementary efforts in order to ensure a sound financial management of the pre-accession funds till the accession date and of the structural funds, after accession.</p>		<p>2.2 "Strengthening the capacity of the National Paying Agency to ensure a sound financial management for the Structural funds and Cohesion Funds" (technical assistance)</p>

¹ Accession Partnership 2003

² Chapter 10 „Taxation“:

³ Accession Partnership 2003

⁴ Accession Partnership 2003

<p>“Transfer of expertise from the management of the Pre-Structural Funds towards the future management of the Structural Funds must be established in order to avoid any kind supraposition of the structures and to allow an easy and efficient transition”⁵.</p> <p>“Until accession, Romania will implement the necessary improvements of its current legal framework on public finance, in order to ensure the flexibility needed for the effective implementation and absorption of the structural instruments”⁶.</p>			
<p>“Develop institutional capacities for the correct application of the Law on Preventive Financial Control and the Law on Internal Audit. A particular requirement is the generalisation of functionally independent internal audit units in public institutions , reorganised in compliance with the</p>	<ul style="list-style-type: none"> - Development of the activities carried on for the protection of the Romanian financial interests and EC financial interests; - Training of the personnel from MoPF and other public entities involved in this field. 		<p>2.5 “Strengthening of the public internal audit function”. (technical assistance)</p>

⁵ Regular Report 2004

⁶ Chapter 21-“Regional Policy and coordination of structural instruments” Complementary position paper”

<p>provisions settled by the new Law on Public Internal Audit”⁷</p> <p>“In particular, the <i>acquis</i> requires the existence of (...) an appropriate financial control mechanism for EU funds; and the administrative capacity to give effective and equivalent protection to EC financial interests”⁸.</p> <p>“In the area of the protection of EC financial interests, Romania should pursue its efforts to develop both framework and implementing legislation to ensure the continuous functioning of its administrative structures following the March 2004 governmental reorganization”⁹.</p> <p>“(...) particular attention should be paid to strengthening managerial accountability and the administrative capacity to implement sound financial control systems as well as to further developing the legislative framework and administrative capacity in the area of external audit and protection of the</p>			
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⁷ Accession Partnership 2003

⁸ 2004 Regular Report on Romania towards accession

⁹ 2004 Regular Report on Romania towards accession

¹⁰ 2004 Regular Report on Romania towards accession

¹¹ Complementary Position Paper on Chapter 28 “Financial Control”

<p>Communities' financial interests"¹⁰.</p> <p>"the EU requests the Romanian authorities to ensure the development of the administrative capacity necessary to implement the acquis in this field, including the capacity of the Romanian law enforcement bodies and judiciary to address cases where EU financial interests are at stake"¹¹.</p>			
<p>- The Ministry of Public Finance will carry out the co-ordination at central level of the calculation, collection, monitoring, appropriate payment, control and reporting of Community funds¹²;</p> <p>"Further efforts are necessary to develop the administrative capacity to properly calculate Romania's contribution to the EU budget and additional action remains to be undertaken to complete preparations for membership"¹³;</p> <p>"Continue to build up technical and</p>	<p>Improve the institutional capacity of MoPF in order to allow the adequate reflection within national budget of the funds received by the Romania;</p>		<p>2.7 "Strengthening the administrative capacity for ensuring the transparency and efficiency of the financial flows to and from the European Union budget" (twinning contract)</p>

¹² Position Paper for cap. 29 "Financial and budgetary provisions"

¹³ 2004 Regular Report on Romania towards accession

<p>administrative capacity as regards the preparatory activities related to operational management of own resources¹⁴;</p> <p>"Continue efforts to define the necessary procedures and organizational arrangements and develop the necessary capacities to coordinate the calculation, monitoring, payment, control and evaluation of funds to and from the EC budget in accordance with the acquis on own resources"¹⁵.</p>			
<p>"Adopt a comprehensive strategy for the reform of the civil service that clarifies the institutional responsibilities for administrative reform"¹⁶</p> <p>"The reform of the civil service is aimed at its professionalisation: recruitment and promotion based on merit and decided by open competition, adequate remuneration levels, a transparent and predictable</p>	<p>Supplementary training of the MoPF staff in order to fulfil its tasks and increasing the professional capacity for the experts from public finance</p>		<p>2.10 "Strengthening of the School of Public Finance" (twinning contract)</p>

¹⁴ Accession Partnership 2003

¹⁵ Accession Partnership 2003

¹⁶ Accession Partnership 2003 (Political criteria)

¹⁷ 2004 Regular Report on Romania towards accession (political criteria – public administration)

salary scheme, improved management of human resources and better training" ¹⁷			
<p>"Develop IT systems so as to allow for the exchange of electronic data"¹⁸</p> <p>"With regard to IT and interconnectivity, an important Twinning Light project is ongoing to address both the IT operational capacity and interconnectivity issues"¹⁹.</p> <p>"With regard to IT and interconnectivity, Romania has started to make progress in this area but efforts should be sustained with high momentum, as the time frame is already tight"²⁰.</p>	Improvement of the business environment by enlarging the electronic Taxpayer assistance, in order to address specific issues to taxpayer's category.		3.1 "Development and implementation of new IT applications related to the optimisation of the business environment and taxpayers' assistance" (technical assistance)
'Elaboration of the procedures for the information exchange, (...), elaboration of the implementation strategy for the protocols for VIES, FISCAL SCENT and SEED" ²¹ .	Development of the proper information exchange with the other Member State Administration in the field of the VAT and Excises (VIES and SEED/EMCS)		3.2 Establishment and implementation of the IT structures regarding the administrative cooperation with the other Member States (VIES and SEED/EMCS) (technical assistance)
"In the fiscal sector, the reforms	Acquisition and improving of the IT systems for		3.3 "Increasing the integration

¹⁸ Accession Partnership 2003

¹⁹ 2004 Regular Report on Romania towards accession

²⁰ 2004 Regular Report on Romania towards accession

²¹ Chapter 10 „Taxation“

<p>should simplify the tax regulation and improve functioning of the tax administration"²²</p> <p>"Realization of the IT systems in order to allow the electronic data exchange"²³.</p> <p>"Consolidation of the administrative and institutional capacity of the responsible bodies with planning and management of the fund for economic and social cohesion coordinated with the approach of Structural Funds"²⁴.</p> <p>"Improvement of the IT system to speed up the procedures of VAT return"²⁵.</p> <p>"Operational IT capacity and interconnectivity"²⁶.</p> <p>"Setting up of an integrated management information system"²⁷.</p>	<p>increasing the level of working standards.</p>		<p>level of new IT and communication systems" (technical assistance and investment contract)"</p>
<p>"Develop IT systems so as to allow for the exchange of electronic data with</p>	<p>Strengthening of the IT interoperability between MoPF and NCA</p>		<p>3.4 "Enhancement of IT interoperability between MoPF</p>

²² Accession Partnership 2003

²³ Accession Partnership 2003

²⁴ Accession Partnership 2003

²⁵ 2004 Regular Report on Romania towards accession

²⁶ 2004 Regular Report on Romania towards accession

²⁷ Chapter 21 „Regional policy and coordination of structural instruments“

<p>the Community and its Member States"²⁸</p> <p>"Enhancement of the implementation of the IT strategy within the Romanian Custom Administrations and also the development of the IT system in order to allow the data exchange within the extended Community; preparations for the installation and implementation of the CCN/SCI (Common Communication Network/Common System Interface)"²⁹.</p> <p>"With regard to IT and interconnectivity, an important IT modernisation programme is ongoing to address both the IT operational capacity and interconnectivity issues"³⁰.</p> <p>"Must be implemented IT systems that will be compatible with the systems of the Member States and would be fully functional one year before the accession date, in order to ensure interconnectivity with IT customs</p>			<p>and National Customs Authority" (technical assistance)</p>
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²⁸ Accession Partnership 2003

²⁹ Accession Partnership 2003

³⁰ 2004 Regular Report on Romania towards accession

³¹ Complementary Position Paper on Chapter 25 "Customs Union"

systems within the EU ³¹ .			
<p>"Romania is making a sustained effort to achieve a sufficient level of IT operational capacity upon accession and is progressing at a satisfactory pace. Romania should be in a position to meet its IT interoperability obligations upon accession provided that the current pace is maintained."³²</p> <p>"The relation with operators should be further enhanced, including by providing them with binding information according to the legislation and by facilitating the use of simplified procedures."³³</p>	Improvement of the efficiency of all functions of the Romanian Customs Administration		3.5 "Enhancement of the integrated web environment in accordance to the EC specific customs system and the national components" (technical assistance)
"Increasing the efficiency of the RCoA activity, through further development of the human resources, in particular at the regional level and extension and upgrading its information technology infrastructure as an additional support for that." ³⁴	Training and certification of the Court's staff as international auditors.		4.3 "Certification of the RCoA staff as international certified auditors" (technical assistance)
"Increasing the efficiency of the RCoA activity, through further development of the human resources, in particular at the regional level and extension and	Extension and upgrading the RCoA information technology as the main support for increasing the efficiency of the activity of its staff.	Phare 2004 "Improving of management information	4.4 "Improving the human resources management and the internal information flow of RCoA".

³² 2004 Regular Report on Romania towards accession

³³ 2004 Regular Report on Romania towards accession

³⁴ ECOTEC interim evaluation and follow up reports

upgrading its information technology infrastructure as an additional support for that." ³⁵		and efficiency of administrative support" (investment contract)	(investment contract)
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³⁵ ECOTEC interim evaluation and follow up reports