

SUMMARY

of the doctorat thesis entitled:

RESEARCH ON THE DEFECTIVE USE OF EUROPEAN FUNDS IN ROMANIA

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KEYWORDS: european funds, irregularities, projects, implementation, control, users, institutions

The doctoral thesis entitled "**RESEARCH ON THE DEFECTIVE USE OF EUROPEAN FUNDS IN ROMANIA**" studies both the situation of access and management of European funds in Romania between 2014-2020, as well as the situation of controls carried out on them by the various control bodies and the results of these controls.

During the period under review, the European Union allocated European structural and investment funds to support regional, social, agricultural and fisheries development, which were administered through the EU Member States by means of partnership agreements, which set out the way in which they were to be used to achieve innovative, sustainable and inclusive development objectives. Romania has allocated resources for all 11 priorities of the Europe 2020 strategy, using the ESI funds through the operational programs from 2014-2020 and then from 2021-2027.

The analysis concerning the execution of projects implemented with European financial allocations was carried out for the 2014-2020 period, considering the fact that for the next programming period the data are not yet collected, and involved the use of statistical indicators pertaining to the absorption and control of European financial allocations, through the collection of statistical data, the application of questionnaires, and the use of official data submitted by the national institutions responsible for the management and audit of projects financed by European funds. Operational programs were analyzed and found to contain irregularities, suspicions of misuse and misuse of EU funds.

As part of the efforts to identify irregularities related to the use of EU funds, a detailed analysis of their typologies and frequency was pursued. It also looked for clues that could support the implementation of controls and for the development of internal capacities in Romania to detect misuse during the preliminary stage and reduce the risk of such incidents.

First, relevant data was collected from various sources, including reports, documents and information from the institutions involved (OLAF, DLAF, DNA, MADR, MFE, etc.). Then, quantitative and qualitative analysis methods were applied, in addition to the analysis of the perception of the users of European funds, the analysis of the perception of the control institutions, in order to evaluate the benefits and drawbacks of the utilization and monitoring of their use. The final aim was to propose solutions and draft proposals that would contribute to the development of internal competence in the early identification of misuse and prevention of misuse of EU funds.

The doctoral dissertation is organized according to the USAMVB CSUD norms and includes the following sections: „Contents” in Romanian, English and French, „Abstracts” in Romanian, English and French, „Introduction”, „Section I”, dedicated to the bibliographic study and divided into two chapters, „Section II”, focused on the original research and structured in seven chapters, „Bibliography”, „Annexes”, containing the list of tables and figures, and „List of Publications”.

Chapter I entitled "**INSTITUTIONAL FRAMEWORK REGARDING IDENTIFICATION CASES OF MISUSE OF FUNDS EUROPEAN**" is structured in five sub-chapters and describes both the existing legal and institutional framework at European and national level concerning the most effective management of the use and monitoring of European funds.

In addition to the legislative framework, the importance of setting up European and national institutions to ensure legality in the allocation, use and implementation of projects developed through European funds. As well as the interventions carried out for administrative and criminal sanctions in instances of contravention of the law, was also presented. According to the treaty underpinning the European Union, Romania participates in the implementation of the National Anti-Fraud Strategy (N.N.L.A.F.S.), together with the other Member States, through political support, by supporting institutional actions in order to attract European funds as correctly as possible, by developing procedures, by applying administrative or criminal sanctions where necessary, and by paying the annual contribution due to the European Union budget.

In Romania, investigative and monitoring institutions have been created for cases affecting EU funds, such as the D.L.A.F. and the D.N.A., and at European level two important institutions have been created: O.L.A.F. and E.P.P.O.

Chapter II entitled „GENERAL ASPECTS REGARDING MISUSE A EUROPEAN FUNDS " is structured in 9 sub-chapters and presents the systems of indicators applied to the misuse of funds, the motivation of fraud and tax evasion, the types of European funds affected by irregularities and breaches of legislation. This chapter also discusses the differences in the notions of irregularity, suspected fraud, fraud and tax evasion, besides the definition of these indicators. On their basis, the policies to defend the monetary aims of the European Union and their implications on the ways of accessing and using sources of financing were analyzed.

Chapter III presents "PURPOSE AND OBJECTIVES OF THE RESEARCH. RESEARCH METHODOLOGY" and comprises three sub-chapters describing the modalities of conducting the research. The quantitative and qualitative methods of analysis allowed the interpretation of the information collected from existing national and international databases. The objectives of the research included a bibliographical study of the national and European legal framework concerning the identification of irregularities related to the use of European funds. For the execution of the research and the acquisition of results, two questionnaires were applied: one for users of European funds and the other for control institutions.

A questionnaire survey was undertaken to measure the perception of the persons who accessed European funds on the way controls were carried out and the results obtained from these controls. We also sought the perceptions of the employees of the control institutions on the way these controls are carried out. The results obtained were interpreted and examined to identify the critical aspects related to the use of European funds, and finally, we proposed solutions to reduce the misuse of these funds in Romania.

Chapter IV is entitled "EVOLUTION OF THE USE OF EUROPEAN FUNDS GRANTED TO ROMANIA IN THE PERIOD 2014-2020" and comprises six sub-chapters, in which the main categories of European funds accessed in Romania, the amounts granted in this period, the quantitative benchmarks regarding irregularities or misuse of these funds, which were identified in the period under study, in Romania, as well as across the other EU Member States, are presented.

Throughout the 2014-2020 programmatic phase, Romania recorded a relatively high level of irregularities in the use of European funds. However, it is essential to underscore that these figures do not directly represent the level of non-compliance, but rather the efforts made by national authorities to combat these problems. The capacity of each Member State to detect irregularities may vary and the policy of determining fraudulent or non-fraudulent cases may influence these figures. Romania has lost a significant amount of around EUR 3.2 billion of the financial allocations for the 2007-2013 period, with one of the worst affected areas being the Transport Sector Operational Program, which recorded a loss of around EUR 973.1 million. Therefore, I contend that it is crucial for the Romanian authorities to improve both the way they manage and monitor the European funds to ensure their proper utilization efficiently and transparently. ANABI, which has belonged to the Camden Inter-Agency Debt Recovery Network coordination team since 2016, plays an important role.

In Chapter V entitled „ANALYSIS OF THE USE OF EUROPEAN FUND BY DEVELOPMENT REGIONS OF ROMANIA IN THE PERIOD 2014-2020" we addressed matters pertaining to the policies and types of regional development existing in Romania, as well as in the EU Member States, which are designed to foster

economic progress, but also societal and sustainable development, aiming both to improve Romania's international competitiveness, as well as reducing existing gaps with other Member States, which are both economic and social. The territory of Romania is structured into 8 development regions, 42 counties with 320 municipalities and cities, 2,861 municipalities and 12,957 villages. Returning to the regional development policy existing within the EU Member States, it is essential to emphasize that it is imperative for promoting economic and social cohesion and presupposes the existence of specific strategies for each region. At European Union level, regions are grouped according to GDP and are categorized into three groups: the first is a more developed region where GDP is over 90%, the second is a transition region where GDP is between 75% and 90% and the third is a less developed region where GDP is below 75%.

The chapter proceeds with an analysis of the European funds that have been granted to Romania in the 2014-2020 programming cycle. One of the important development programs was the P.N.D.R. which granted non-reimbursable funding for the modernization and extension of agricultural holdings as well as for the economic and social advancement of rural regions, and which amounted to approximately 9 billion euro, thereby contributing significantly to the modernization of Romanian agriculture and to the sustainable growth of this sector.

Chapter VI entitled "**EMPIRICAL STUDY REGARDING THE USE AND CONTROL OF EUROPEAN FUNDS GRANTED TO ROMANIA**" intended, on the one hand, to delineate the profile of users of European funds, conversely to analyze their perception and the control institutions on the way European funds are granted, used and controlled, in order to identify irregularities and the way of interaction between control institutions and beneficiaries. By identifying the main ways of misuse of European funds at the European Union level, it was possible to formulate both conclusions, but especially proposals for improving the aspects analyzed in the thesis. For the elaboration regarding the questionnaires, we factored in the research objectives and the purpose of the research, which was to obtain relevant and useful information to fulfill the study's purpose. The questions were structured logically, starting with general questions and continuing with specific and complex ones. The primary aim of the research was to measure the perception of the users of European funds on how controls are carried out and their objectivity. It also assessed fund users' perceptions of the communication they had with control teams and the reasons that led regarding the application of sanctions, where applicable. In order to ensure the ethical conduct of the research, I took measures to guarantee that the answers given by the respondents were consensual and that I could guarantee their confidentiality and anonymity. To this end, participants were apprised of the research objectives and their consent was secured, either verbally or through the information provided at the beginning of the form.

In Chapter VII, entitled "**CONCLUSIONS AND PROPOSALS**", the importance of the study conducted on the utilization of European funds through the aspects presented in this doctoral thesis and the need to identify strategies that facilitate the enhancement of the ways of carrying out controls and collaboration between the persons accessing European projects and the decision makers, namely: Reducing bureaucracy; providing information sessions on the risks of applying penalties; providing information on the specific aspects of managing European funds; using an efficient document management system; having clear procedures for decision-making and auditing; informing users of funds as legislation is updated; providing advice at key stages of a project (concluding contracts, making payments, etc.); presenting audit results as examples of good practice; using indicators to anticipate possible problems in project management; using software solutions for project management and monitoring.

I consider that the doctoral dissertation titled "**RESEARCH ON THE DEFECTIVE USE OF EUROPEAN FUNDS IN ROMANIA**" is a relevant one, as the research carried out is in line with current concerns at European level, in the conditions where European funds are a significant source of funding for infrastructure, education, health and regional development projects. The misuse of these funds can have serious consequences for the national economy, slowing economic growth and perpetuating regional disparities. By investigating how the funds are mismanaged, this research can identify the gaps and malfunctions that hinder the achievement of development objectives and propose solutions to optimize the use of the funds.

Second, openness and responsibility in the administration of public finances are fundamental to strengthening citizens' trust in state institutions. Investigating misuse of EU funds can bring to light malpractices and corruption, thus contributing to a more transparent and accountable framework. Identifying and sanctioning such practices not only improves the management of funds but also strengthens the rule of law and democracy.

Such research can provide valuable data and analysis for public policy formulation and implementation. By highlighting problems and proposing concrete solutions, research can guide policy-makers in developing strategies that are more effective and tailored to the real needs of communities.

In addition, the use of European funds is closely linked to Romania's relationship with the European Union, and improving their management can strengthen our country's position by demonstrating commitment to European values of transparency, efficiency and accountability, which can help to attract even more financial resources in the future.

From an academic point of view, tackling this topic offers a valuable opportunity for the development of knowledge and expertise in the fields of economics, public administration and political science, the research generating new perspectives and theories, contributing to the enrichment of the literature and to the training of a new generation of experts who can effectively manage European resources.

In the conclusion of the PhD thesis, I have included bibliographical references, appendices containing the list of figures, tables and diagrams, questionnaires, the papers presented and the list of articles published as an author.