ANALYSIS OF RELEVANT DOCUMENTS TO DEVELOP NATIONAL AND EUROPEAN POLITICAL COHESION POLICY

SORIN STANCIU[1]

[1] Banat's University of Agricultural Sciences and Veterinary Medicine "King Michael I st of Romania" from Timisoara, Romania, e-mail: sorinmstanciu@yahoo.com

Abstract: *The amounts for regional policy entered in the preliminary draft budget (PDB) meet the needs of the Union in its efforts to reduce regional disparities and achieve the objectives of Lisbon and Gothenburg; therefore all PDB budget lines to be maintained or, where necessary, restored. It is need to promote the use of new forms of innovative financing instruments and financial engineering to improve access to finance for programs for 2013-2020 and in particular those instruments facilitating access to venture capital and microcredit for small and medium enterprises.*

***Key words**: cohesion, policy, investment, innovation, productivity*

INTRODUCTION

Commitment appropriations for 2014 for the objective of competitiveness and employment benefits are reduced by 372 536 823 EUR to 2013, the aim being to know if this reduction is in line with the need to stimulate the economy and create jobs employment in the advanced economies of Europe in order to maintain and improve global competitiveness.

Cohesion policy 2014 budget is designed to accelerate implementation to complete recovery to the economic crisis. As such, are considered an improved utilization of financial instruments such as JASPERS to facilitate launching of major projects and the reprogramming required supporting investment in energy efficiency, energy technologies, low-carbon or using renewable energies and measures to combat climate change climate. Also, according to the accelerator principle, payment appropriations amount to 30,928,200,000 € (including the Cohesion Fund) entirely dedicated to interim payments.

The Progress Report on Economic and Social Cohesion focuses on creativity and innovation as two key elements that can help the Union to emerge more quickly from the current economic crisis. This is why the European plan for economic recovery, together with the Cohesion Policy, aimed at investments that strengthen the EU's competitiveness in the long term, as well as entrepreneurship, access to finance for human capital, green technology and efficiency energy.

MATERIALS AND METHODS

The main objective is to highlight the factors that can stimulate creativity and innovation in both the developed and the less developed ones. Regional data available for the report do not reflect the crisis. By 2007, unemployment rates were shrinking and converging rapidly. But they are now increasing dramatically in Spain, Ireland and the three Baltic countries, and provisions are made that will reach between 18 and 27% in 20014, and more than double the rate in 2007.

After a period of sustained growth, is it expected that these five Member States will also record an economic slowdown. The report highlights the territorial dimension of creativity and innovation. The notion of "regional dimension" implies that the idea must be new and useful in the region.

The proportion of university graduates is almost nine percentage points higher in regions covered by Objective "Regional Competitiveness and Employment" (RCE) and those in transition, only those related to the 'Convergence'. Also, participation in lifelong learning-is much lower in convergence regions, where the rate is half that in RCE regions.

A region may increase its share of talent inciting talented people to settle on its territory or to visit. The proportion of university graduates of foreign origin is only 2% in the EU, compared to 6% in the US, which they achieve a level only eight European Union regions.

RESEARCH RESULTS

Some Member States, including Romania, have benefited from substantial remittances from emigrants to their families remaining in the country. This contributed to a strong inflow of capital, equivalent to one or more percentage points of GDP per year, but it plummet due to the crisis. Many EU citizens have already returned to Member States in Central and Eastern Europe in particular due to rising unemployment in some Member States the main destination. This reduces remittances, but those people have brought with them an international experience more developed business acumen and contacts.

Business travel also foster interaction and exchange of ideas. The number of arrivals per capita in hotels shows that the most important business destinations are linked to the objectives RCE regions and transition, while the Member States in Central and Eastern Europe is very low number of arrivals.

Core creative class is particularly important for an economy as its members generate more ideas and there is a greater likelihood that they will start new businesses, creating both growth and create jobs. Studies show that in the USA 15 this class is attracted to cities where their talents are found, tolerance and leading technologies. Core creative class includes professions such as engineers, writers, architects, scientists, teachers and other professions that involve creating new products, processes or services that have.

In the European Union, the core creative class is highly concentrated in and around capital regions and in the Benelux and Nordic countries, Ireland and the United Kingdom. These regions have a significant proportion of university graduates born abroad, provide broadband access and often include large cities. Convergence regions recorded a smaller proportion of creative class, the basic 5%, compared with 8% in RCE regions, which may be due to smaller proportions of university graduates and people born abroad and use less developed ICT in the first.

Research shows that the EU is in a weak position compared to the US, but began to reduce this difference. European Union record in particular an increase higher in terms of university graduates, researchers, public R & D, venture capital, broadband access and employment in services based on intensive use of knowledge and ranks first in terms of science and engineering graduates, trademarks, technology balance of payments flows and employment in manufacturing of medium and high technology.

Social innovation can contribute to improve childcare, the provision of home care and to promote sustainable transport. Cultural innovation can lead to new art forms. In the economy, it can help reduce energy use, streamline processes and improve the design of products and services -, which all tend to boost productivity.

The regions with the highest productivity growth lie mainly in the Member States in Central and Eastern Europe. FDI is a crucial source of investments for almost all Member States in Central and Eastern Europe, where net FDI flows were less than 3% of GDP per year between 2005 and 2007. In 2005-2007, the convergence regions overtook RCE regions in terms of the number of new foreign firms per capita. The crisis has led to a drop in FDI and a reduction in the number of new foreign firms.

New ideas are often put into practice by new firms. The World Bank states that it is easier to create a business in at least one hundred other countries than in Germany, Austria, Greece, Spain and Poland. Only Ireland and the UK are among the top ten rankings. Studies show that large firms invest more in R & D and do more internal innovation, while

SMEs have less access to finance and tend to innovate less and outsource their innovation needs.

Currently, research and development are highly concentrated in certain sectors - 80% in the manufacturing industry - and in some regions - for example, 30% of expenditure on research and development of enterprises are concentrated in just ten regions. In RCE regions, business expenditure on R & D represents 1.3%, ie a level four times higher than the convergence regions. In less developed regions, diffusion of technologies tends to play a more decisive role, as reflected in the significant difference in terms of the number of patents per capita, RCE producing 13 times more patent applications than regions convergence.

Convergence regions can benefit a greater extent by foreign firms, embedding them in their regional economy and improving their absorption capacity. By establishing closer links between foreign firms and local suppliers increase efficiency, local employment and knowledge transfers. These regions should improve the educational attainment and participation in training, which van strengthen their capacity to absorb new ideas and practices and help them to maintain high growth in productivity.

Convergence regions should develop their attractiveness to tourists and business travelers, boosting, for example, cultural and creative activities. This would boost exchanges of new ideas and possibly increase the appeal of the region to new residents and returning migrants.

In October 2013 the European Commission adopted a Green Paper on "Territorial Cohesion" launching a broad public debate on territorial cohesion and its strategic implications.

The main outcomes of the consultation are:

1. The three basic elements proposed to achieve the objective of territorial cohesion (to encourage harmonious development and sustainable development of all territories by building on their territorial characteristics and resources) were broadly supported:

- A concentration (achieving critical mass fighting against negative externalities);
- A connection (reinforcing the importance of efficient connections of lagging areas with growth centers through infrastructure and access to services);
- A cooperation (working together across administrative boundaries to achieve synergies).

2. Many respondents stressed the solidarity dimension of territorial cohesion; some consider a territorial dimension of the European social model. This implies that economic and social disparities between territories at all levels (community-level regional and local) should be considered.

3. Political interventions and policy design should be made based on socio-economic situation of territories. It stressed that the Cohesion Policy provides sufficient flexibility to address various problems encountered in different territories (caused by geographical features).

4. Territorial cohesion has been associated with notions of integrated, multi-level governance and partnership - rated three elements of cohesion policy.

5. Many respondents called for better coordination and coherence between different instruments and funds.

6. There was a clear consensus that public policies at various levels must take into account their territorial impact to avoid contradictory effects. This is especially true if European policies with a territorial impact, such as cohesion, transport, energy, agriculture, environment, employment, competition and research.

7. All respondents agreed that better coordination can be obtained through multi-level governance. For the vast majority, this does not involve modifying the distribution of competences, especially as regards spatial planning.

8. Respondents invited the EU to facilitate territorial governance border (eg partnerships between urban and rural, city-regions, networks of towns) so as to obtain a critical mass in providing public services or to develop projects of common interest.

9. The majority of contributions underline the importance of coordinating strategies, regulations and funding national and regional sustainable development of whole transnational areas.

10. The EU should facilitate exchanges of experiences and best practices.

11. Respondents call for better coordination between cohesion policy and foreign policy, strengthening the European Neighbourhood Policy and the use of EGTC (European Grouping for Territorial Cooperation) and the external borders.

All respondents agreed on the need to have better tools for territorial analysis and better indicators to understand territorial trends. Making thematic analyzes on migration and climate changes, improvement of territorial impact assessment instruments are all elements that can improve policymaking.

The Commission is invited to complement for analytical purposes GDP per head with other indicators of quality of life (eg human development, sustainability, vulnerability, accessibility of services).

The reform proposed budget for 2014-2020 is based on five key principles: generation of European added value, main lines that aim to be financed are sustainable growth and jobs, greater flexibility and increased capacity to respond, Simplification and improving the efficiency of implementation mechanisms, ensuring fairness and value added financing system of the European Union.

The stability of the financial framework should be counterbalanced by a far greater degree of flexibility to allow the Union to adapt and respond effectively to new challenges and needs. Although multiannual financial framework ensures consistency in the long term, and use disciplined funds, within existing resources, there is need for these positive points are accompanied by the ability to adapt quickly to unexpected events and new priorities, especially in the context of uncertainty caused the global financial crisis.

Thus, during programming financial framework Europe can not remain 7 years, until 2020, settling in consultation with the European Parliament and many other factors that it should be reduced to 5 years, while taking into account the a reform of allocation mechanisms that lead to a high degree of flexibility.

These goals can be achieved by reorganizing the way both programming and management, but also by increasing the transparency of EU funding.

In addition, it aimed to consolidate payments from the EU declaration of payments by Member States and not on the expenditure incurred by beneficiaries. Thus, Member States shall receive reimbursement requests from beneficiaries will check in terms of eligibility, will pay these contributions, these amounts will be declared to the Commission to reimburse the corresponding quota.

The advantages of such an approach will be, on the one hand, an incentive for the Member State to use properly pre-financing and have full control over expenditure declared by the beneficiaries, on the other hand, provision of means of de-coupling of legality and regularity of reimbursements of EU funds to Member States for verifying compliance with EU legislation on transactions outlined.

Currently, research and development are highly concentrated in certain sectors - 80% in the manufacturing industry - and in some regions - for example, 30% of expenditure on research and development of enterprises are concentrated in just ten regions. In RCE regions, business expenditure on R & D represents 1.3%, ie a level four times higher than the convergence regions. In less developed regions, diffusion of technologies tends to play a more decisive role, as reflected in the significant difference in terms of the number of patents per capita, RCE producing 13 times more patent applications than regions convergence.

Convergence regions can benefit a greater extent by foreign firms, embedding them in their regional economy and improving their absorption capacity. By establishing closer links between foreign firms and local suppliers increase efficiency, local employment and knowledge transfers. These regions should improve the educational attainment and participation in training, which van strengthen their capacity to absorb new ideas and practices and help them to maintain high growth in productivity.

Convergence regions should develop their attractiveness to tourists and business travelers, boosting, for example, cultural and creative activities. This would boost exchanges of new ideas and possibly increase the appeal of the region to new residents and returning migrants.

CONCLUSIONS

Following criticism from various consultations, it imposes some important conclusions:

Simplification of Member States' contributions by abolishing the VAT-based resource and replace them with other EU own resources.

Gradual development of new resources directly related policies: a resource to replace part of GDP contributions may solve the problem "fair redistribution 'balance sheets by removing the focus from net economic impact of resource. The resource should be strictly linked to a key policy fully developed EU to increase the coherence and effectiveness of the budget, but at the same time should be harmonized to ensure applicability across the whole EU territory and have a cross-border character.

In the past they have identified resources based on VAT or income energy companies. With the recent development of the policy, have been mentioned in the consultations other resources, such as taxes on communications, financial transactions or aviation activity (departure tax, kerosene etc.).

Also, based on the application of System Emissions Trading Scheme (ETS) in 2012, a resource based on the auctioning of emissions of greenhouse gas emissions should fully comply with the above principles, but the measure would apply only in the longer term (after 2015).

Removing progressive correction mechanisms: It suggested removing the correction granted to the UK or its extension to all Member States to ensure equal treatment of the contributors to the EU budget. In any case, it aims to remove all existing correction mechanisms currently.

As a conclusion on the aspects mentioned above, it can be said that a crucial element for the budget reform is the approach all measures simultaneously, as a package to be the subject of a single decision, covering one or more multi-annual financial frameworks. Thus, financing and spending of the EU budget are strongly interlinked and removing corrections can not be achieved without reform of the funds and resources without introducing a new, closely related to policy.

ACKNOWLEDGEMENTS

This work was supported by grant of the Romanian National Authority for Scientific Research and Innovation, CNCS-UEFISCDI, project number PN-II-RU-TE-2014-4-1134.

REFERENCES

1. **BĂNEŞ A., ORBOI MANUELA-DORA,** 2010, Data sources used in analysing the quality of life in Romania, Lucrari Stiintifice Management Agricol, ISSN 1453-1410, Vol. XII (2), pag. 433-440;

2. **CIOLAC RAMONA, I. CSOSZ, MARIN DIANA CORNELIA, SIMONA MARTIN**, 2009, Defining features, which customizes agro turism as a form of development of rural areas, Lucrări ştiinţifice Management Agricol, ISSN 1453-1410, Vol. XI (4), p. 231-240;

3. **CRĂCIUNESCU A., MOATĂR MIHAELA, STANCIU S.,** 2014, Considerations regarding the afforestation fields Journal of Horticulture, Forestry and Biotechnology, ISSN 2066-1797, vol. 18 (1), 108-111;

4. **CRĂCIUNESCU A., STANCIU S., MOATĂR MIHAELA,** 2014, The implementation of European forest legislation for a sustainable development Research Journal of Agricultural Science, vol. 46 (1), 158-165;

5. **CRĂCIUNESCU A., STANCIU S., MOATĂR MIHAELA,** 2014, Legal protection of the forests in a changing climate ecosystemn Research Journal of Agricultural Science, vol. 46 (1), 152-157;

6. **IANCU T., BRAD I., ANDA MILIN, TABITA HURMUZACHE, IASMINA IOSIM**, 2011, Aspects that characterize the quality of life in Romanian rural area, Lucrări ştiinţifice, seria Agronomie, ISSN 1454-7414, Vol.54(S), p.134-137;

7. **IANCU T., HURMUZACHE TABITA, BRAD I.**, 2014, Active measures for decreasing the unemployment rate in the rural area of the western region, of Romania, Scientific Journal of the University of Szeged, Faculty of Agriculture, ISSN 2063-4803, vol. 3(1), pag. 363-368

8. **MOATĂR MIHAELA,** 2014, Researches concerning the behavior of torrents correction works from Valea Miniş River Watershed Journal of Horticulture, Forestry and Biotechnology, vol.18 (3), pag. 73-76;

9. **MOATĂR MIHAELA, LĂZUREANU A.**, 2010, Research on the production arrangement applied Steierdorf Unit III Journal of Horticulture, Forestry and Biotechnology, vol. XIV (3), 164-167;

10. **MOATĂR MIHAELA, LĂZUREANU AUREL**, 2010, Research on the measurements used in the test areas located in production Steierdorf III Journal of Horticulture, Forestry and Biotechnology, vol. XIV (3), 168-171;

11. **ORBOI MANUELA-DORA, BĂNEŞ A., PETROMAN I.**, 2005, On legal aspects of ecological agriculture in Romania, Rural Development 2005, Lithuania, Proceedings: Globalisation and integration challenges to rural develoment in Eastern and Central Europe, Book series: Rural development, ISSN 1822-3230, Vol. 2, pag. 133-135;

12. **STANCIU S. M, TABĂRĂ AMÂNAR C.G.,** 2011, Heritage silvic theft according to the Forestry Code, Law 46/2008 Journal of Horticulture, Forestry and Biotechnology, vol. 15, (4), 92-96;

13. **STANCIU S. M, TABĂRĂ AMÂNAR C.G.,** 2011, Considerations on forest crime in Romania Journal of Horticulture, Forestry and Biotechnology, vol. 15, (1), 199-202.