

THE PERSPECTIVES OF THE PUBLIC POLICIES AND PROGRAMS EVALUATION SYSTEM IN ROMANIA IN THE CONTEXT OF IMPLEMENTING THE NATIONAL RECOVERY AND RESILIENCE PLAN

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Abstract

The implementation of the Recovery and Resilience Facility boosts the EU's power to transform Member States, especially in the field of public management. The conditioning of the Member States to link proposed investments in their plans in order to overcome the effects of the crisis generated by the COVID-19 pandemic, but also to boost the implementation of the Green Pact on structural reforms transforms this temporary instrument in the main driver for deepening European integration. In the case of Romania, one of the important results pursued as part of the reforms related to the public administration sector, correlated with those related to the reform of public finances, refers to the improvement of the planning system of public policies and programs in accordance with budgetary scheduling. In this context, it is expected that following the implementation of these structural reforms, the national system for public policies and programs evaluation will strengthen significantly.

The article aims to discuss certain aspects related to the dynamics of the use of public policies and programs evaluations in various stakes specific to the public management sector. Thus, in the first part of the article, the dynamics of the institutionalization of the national system for public policies and programs

evaluation is described and analyzed. In the second part, the strengthening premises of the national evaluation system for public intervention are analyzed as a result of the implementation of a package of structural reforms which are specific to strategic planning and public management.

Keywords

Public policies and programs evaluation system; evaluation capacity and culture; Recovery and Resilience Facility; the National Recovery and Resilience Plan; Multiannual Financial Framework 2021-2027.

1. INTRODUCTION

In the case of Romania, in the last three decades, the main structural reforms were implemented in a coercive context, either under the pressure of external funders, or in the context of meeting the EU accession criteria. The institutionalization and development of the national system for public policies and programs evaluation is part of the development-under-external-pressure pattern, based on the coercive-mimetic method, which continues to be dominant. Instruments such as the Recovery and Resilience Facility (RRF), the European Semester (ES), but also pressures related to maximizing the absorption of European funds contribute to strengthening the capacity and evaluation culture in Romania. The phenomenon of external pressure raises the following questions:

1. How exactly, by using these new tools and approaches, is it possible to condition Romanian government authorities to use evaluations in such a manner as to meet their commitments regarding the improvement of strategic and operational planning?
2. Are the proposed measures sufficient for revitalizing the evaluation practice in such a way as to ensure continuity and sustainability of the evaluation capacity building processes?

The article provides answers to these two questions. In this sense, some explanatory considerations regarding the relevance and plausibility of the steps

taken through the National Recovery and Resilience Plan (NRRP) are stated. In addition to the fact that the main purpose of the NRRP is to facilitate green and digital transition, in the case of Romania, it is also used to boost the modernization of central and local public administration. Thus, the article presents and analyzes the revival of the practice of public policies and programs evaluation in the context of the implementation of reforms included in the NRRP.

2. PARTICULARITIES OF THE INSTITUTIONALIZATION OF PUBLIC INTERVENTIONS EVALUATION IN ROMANIA

In Romania, the institutionalization of the design, implementation and monitoring system of public policies took place in a coercive form, an aspect that is also reflected in the evaluation culture. Coercive institutionalization derives mainly from exogenous pressures put on the Romanian administrative system. The preconditions established for the start of the EU accession negotiations in 1998-1999, as well as the conditions established for the actual accession negotiations, conditioned the creation of a framework for the implementation of public policies. According to the heuristic conception of public policies cycle, transposed into domestic legislation since the beginning of the 2000s through Government Decision no. 1006/2001, the role of evaluation is decisive both for the initiation stage of public policies and for demonstrating their impact and efficiency (Stăvaru 2015). Being a transversal conditionality, in the context of Romania's accession to the EU, evaluation was interpreted as a determining activity for improving strategic planning.

Romania's pre-accession period was the most prolific stage of the institutionalization of an evaluation framework and the development of a national evaluation capacity. After the effective accession to the EU, the pace of capacity development decreased progressively. In certain contexts, there were regressions, when compared to the previous period. Consequently, the foundations of an authentic culture of evaluation could not be laid in the sense

of continuously strengthening the use of evaluation, both for strategic planning processes and improvement of public management, but also for organizational learning. Considering the coercive character of the institutionalization process, the culture of public interventions evaluation has performed until now only up to the moderate stage of development.

2.1 The role of European funds in the establishment and consolidation of the internal system of public interventions evaluation

As in the case of other states in the region, the practice of evaluating public policies and programs was introduced and strengthened around European programs. Taking into account the principle of the spillover effect, the Romanian epistemic community expected it to be extended to the entire public administration (Antonie and Șandor 2007; Stăvaru 2015; Toderaș and Iacob 2020). However, two decades after the institutionalization of the practice of public interventions evaluation, it is noted that until now, the process is still used mainly in the management of European funds. The obligation to carry out evaluation exercises for interventions financed from European funds derives from EU regulations.

In the context of the approval of the Partnership Agreements as well as the programs financed from the Cohesion Policy funds (European structural and investment funds - ESIF), Member States must demonstrate evidence-based relevance and success of the operations implemented with the support of these funds. The evaluations are the central element of the demonstration of the ex-ante (relevance of need), intermediate (efficiency and effectiveness of implementation) or ex-post (achieved impact) invoice records of the programs and projects financed from the ESIF. That is why, in all three financial periods during which Romania benefits from European funds under shared management conditions (2007-2013; 2014-2020 and 2021-2027), responsible Romanian authorities could not avoid the use of evaluations in order to substantiate the interventions supported by the EU's Cohesion Policy.

In certain specific contexts, especially those regarding modification or closing of operational programs, the European Commission requested additional evaluations. The requirements regarding additional evaluations focused either on carrying out specific evaluations of topics that were not initially included in the evaluation plans, or on the diversification and sequencing of the evaluation practices so that they were focused on specific topics of strategic importance carried out on-the-spot (on-the-spot evaluations).

In the context of meeting the European Commission's requirements to periodically provide solid evidence of the efficiency and effectiveness of interventions financed from the ESIF, certain structures responsible for managing evaluation activities were created and developed at the level of national authorities. The duties and staff contingent of these structures varied depending on the openness of the political environment to the evaluation of public interventions. For the first two financial periods, the evaluation of ESIF-financed interventions was carried out in a centralized framework, but with shared attributions for certain programs. Instead, for the Multiannual Financial Framework 2021-2027, a decentralized framework is applied at program level. Thus, at the level of each program, structures were established, with attributions concerning the design and implementation of evaluation plans specific to the respective programs. As a specific particularity of states lacking a consolidated democratic culture, in the case of all three Multiannual Financial Frameworks, the governance arrangements are defined in a state-centric regime.

In addition to the provisions stipulated in the regulations that govern the management of ESIF (such as Regulation no. 1083/2006; Regulation no. 1303/2013; Regulation no. 1060/2021), the European Commission's services have intensively promoted the concept that much more evaluation is needed, as the processes should also focus on the evaluation of national policies and programs financed from state budget. The recommendation was aimed at overcoming the state's reluctance towards the evaluation process, developed due to the lack of knowledge concerning the object of the evaluation in relation to audit and control activities. In fact, the concept promoted by the European Commission emphasized the need to strengthen sound public financial management. However, the recommendation did not resonate with public

authorities; only in exceptional cases there were calls for additional evaluation, separate from the evaluation plans approved at the level of each operational program, such as the evaluation of the governance system of the Danube Delta integrated territorial investments.

2.2. The dynamics of political will in relation to public interventions evaluation

Unlike the interventions financed from the ESIF, in the case of interventions financed from the state budget, the dynamics is much more modest. Central public authorities have been as reluctant as possible to use evaluation to design or improve public policies and programs. In the vast majority of cases, the evaluation exercises were undertaken either at the request of financiers or external donors, or through the direct involvement of certain economic operators in order to adequately substantiate the continuity of certain public interventions (such as the case of the “Milk and Corn” / “*Cornul și Laptele*” program evaluated in 2015). Very rarely the need for evaluation was a result of explicit requirements formulated by political decision-makers (ministers, state secretaries) or administrative ones (general secretaries or general directors) from ministries or central public authorities. The same situation is specific to the local public administration. Rarely have independent evaluations undertaken by civil society been taken into account by central or local public authorities in order to substantiate or improve interventions.

Since Romania's accession to the EU, there have been several moments of revival in the use of public policies and programs evaluation. However, these were punctual and short-lived. Some moments were connected to the remediation of the effects of internal or external structural crises. Others, however, were the result of alternations in the government process of some political forces with discourse and reforming initiatives, such as, for example, the technocratic government led by Dacian Cioloș (November 2015 - December 2016). Even if in the governing program of the Cioloș Cabinet, not enough explicit provisions were established regarding the use of evaluation (only 8 references), during the mandate given to the respective cabinet of ministers, the process of carrying out

public policies in an evidence-based manner was energized, an aspect where the evaluation process played an important role.

A main cause of this situation resides in the fact that the state budget is programmed on a cash basis and on a budget execution scheme which focuses on the volume of public expenditures. This budget programming practice does not facilitate the development of a request for evaluation of public interventions financed from state budget. During Romania's pre-accession period to the EU, consistent steps were taken to progressively switch to program budgeting after accession and to measure the quality and efficiency of public spending in relation to proposed objectives and targets. Nevertheless, this assumption, like many others stipulated by the EU Accession Treaty, was not materialized even in the context of participation in the revised Stability and Growth Pact in 2011. Meanwhile, certain elements of the arrangement assumed during the pre-accession period have been partially applied, such as the institutionalization of a strategic planning system at the level of central public administration. In this regard, significant progress has been made at the level of several ministries (eg. the Ministry of Transport or the Ministry for Development, Public Works and Administration) in the field of strategic analysis and planning, creating synergy between policy design, strategies, programs and adequate budget allocations.

For example, an attempt to boost the use of evaluations to substantiate programs financed from state budget was consumed immediately after the post-EU-accession period. One of the results of the project "Development of a Professional Evaluation Community in Romania" – PHARE RO/2005/017-553.05.03.02 – concerned the proposal of amendments to Law no. 500/2002 on public finances and Law no. 273/2006 on local public finances, in order to ensure the legal basis for imposing periodic evaluations at all levels of public administration and for all types of public interventions (Ministry of Public Finances 2009, 65-71) which would be different, but complementary (in approach and methodology) to audit procedures. At that time, it was considered that this regulatory method will ensure the establishment of a high level of culture and evaluation capacity in a short period (Stăvaru 2015, 135). In the electoral context of 2008, but also because of the habit of abandoning efforts to

promote initiatives to improve public management as a result of alternations in government, efforts to amend the two laws were interrupted.

As a result of the mandatory transposition by Member States of the Directive 2011/85/EU on requirements for budgetary frameworks of Member States, in 2012 the process of amending the legislation on public finances was resumed. According to the provisions of the Directive, Member States had to establish by December 31, 2013 a Medium-term Budgetary Framework, substantiated both on forecasts and on periodic, impartial and comprehensive evaluations based on objective criteria. As part of the package of legislative acts that strengthened the economic and fiscal governance of the EU in the wake of the financial and economic crisis of 2009, the purpose of establishing requirements regarding budgetary frameworks of the Member States was to avoid excessive public deficits. Argued from the perspective of a need to strengthen the quality of public policies, one of the amendments to Law no. 500/2002 on public finances referred to the fact that the Government will approve a methodology for the development and execution of budget programs. According to the provisions of the amendment, the methodology will *“specify the form of presentation of the budget programs, their content and the way of developing the result and/or efficiency indicators, as well as the way of monitoring the execution of the budget programs”* (paragraph 2, Art. 28⁵, Law 500/2002). The amendments to the Law on Public Finances strengthened the use of macroeconomic and budget forecasts in budget programming and did not lead to promoting the use of public interventions evaluations, both ex-ante and interim or ex-post. Moreover, for 9 years the provisions concerning the approval of the methodology for the elaboration and execution of the budget programs were not materialized.

The example given above indicates that progress stagnates largely because of political will and determination, not just central government resistance to change. If political determination to carry out extensive exercises to improve public management would have materialized, then this would certainly have been reflected in the strengthening of the internal system for public interventions evaluation. Otherwise, government programs are a relevant sign of determining the degree to which cabinets of ministers support public programs and policies evaluations in the foundation of action priorities. For

example, one of the most open government programs from this perspective is that of the Florin Cîțu Cabinet, applied between December 23, 2020 and November 25, 2021. In this government program, the incidence of the 'evaluation' term is found 121 times. In more than 60 situations, the invocation of the term was used appropriately for various types of evaluations which are specific to public or planned institutional policies. The coalition at that time started a series of evaluation exercises, of procedural-functional nature, and strengthened certain structures in the field of evaluation. For example, in June 2021 in the Ministry of European Investments and Projects (MIPE) an Impact Assessment Directorate was created with the aim of supporting the development, monitoring and evaluation of national public policies that are financed through European funds. For comparison, in the government programs of the previous cabinets, the incidence of 'evaluation' was much lower. For example, in the government programs of the two cabinets headed by Ludovic Orban (November 2019-December 2020) the incidence was of 28 references. In the case of the office led by Viorica Dăncilă (February 2017 - November 2019) the incidence was of 31 references, and in the case of the Cabinet led by Victor Ponta (December 2012 - March 2014) it was of only 24 references.

The governing program of the cabinet led by Nicolae Ciucă (November 2021-June 2023) largely maintained the approach found in the governing program of the Cîțu Cabinet. However, the actual evaluation efforts have stagnated. For example, the Impact Evaluation Directorate within MIPE was abolished (June 2022), without a solid justification of the decision. However, in February 2022, the Department for Integrated Evaluation and Monitoring of Programs Financed by Public and European Funds was established within the General Secretariat of the Government (Government Decision no. 205/2022). The Department focused on monitoring and boosting public investments and did not carry out actual evaluation activities or coordination of evaluation capacities at the level of central public administration.

In the case of the governing program of the cabinet headed by Marcel Ciolacu (starting with June 2023), the incidence is of 71 references. However, in the case of several objectives, it is stated that the aim is to introduce a public policy evaluation system, both in order to determine performance and to ensure

adequate budgeting. Unlike previous programs, in the case of the government program of the Ciolacu Cabinet, the focus is on evaluating the quality and effectiveness of public services, as well as improving and modernizing them based on these evaluations. The evolution of this internal paradigm shift is largely based on the requirements derived from the NRRP, but also from those specific to the ESIF implementation. Thus, the conditions for accessing European funds strengthened in the context of the implementation of the European Semester and the Stability and Growth Pact, inevitably lead to the convergence between the evaluation system for programs financed through European funds and that of programs financed from state budget.

3. THE STRENGTHENING PERSPECTIVES OF THE EVALUATION CAPACITY IN ROMANIA

Although for two decades the progress in strengthening the culture of public interventions evaluation is limited, in the next period several exogenous factors inevitably lead to the intensification of the use of evaluation. This trend is circumscribed in particular to the fulfillment of EU requirements regarding the continuous improvement of strategic planning and public management at the level of Member States, mainly by transposing principles of the Better Regulation Agenda in the decision-making processes at the level of Member States. Thus, through the European Semester, the requirements for improving strategic planning processes are specified for each Member State. That is why, by establishing the RRF in 2020, as well as through the conditions set for accessing the ESIF for the Multiannual Financial Framework 2021-2027, the financial incentives for a full transposition of these principles at the level of Member States are ensured. The strengthening of the European Semester and its transformation in a tool for strategic planning and monitoring of EU public policies implemented by Member States aims to improve governance frameworks so that decisions are made in a predictable, informed and participatory manner, which implies increased use of evaluation.

Maximizing the absorption of European funds available for the next period is another reason for revitalizing the internal evaluation culture. On the one hand, the use of the performance-based approach in the case of the RRF requires Member States to periodically present the impact of implemented reforms and investments. On the other hand, the change in the method of reimbursement of the European Commission for expenses incurred within the operational programs specific to the Cohesion Policy, by demonstrating the fulfillment of the enabling conditions, which are specific to the carried-out operations, requires that they periodically present records that demonstrate progressive fulfillment of those conditions. The fulfillment of enabling conditions aims, among other, to demonstrate the existence and functionality of monitoring and evaluation tools used to measure strategies for performance of implementation, action plans, programs or processes relevant to interventions supported through European funds. In this regard, starting from 2024, government strategies that are subject to sectoral enabling conditions will have to be independently evaluated, and the results of these evaluations will need to substantiate the revision of strategic planning.

Against this backdrop of mitigating the economic and social impact of the COVID-19 pandemic and stimulating green and digital transition, Romania's accession to the Organization for Economic Co-operation and Development (OECD) constitutes another exogenous factor that will lead to the strengthening of structures intended to produce and capitalize on the results of public interventions evaluation exercises. The context is somewhat similar to Romania's EU pre-accession period and requires a distinct analysis regarding the fulfillment of preconditions and the effects of this goal on the evaluation capacity and culture in Romania.

4. THE CONTRIBUTION OF THE NRRP TO BOOSTING THE EVALUATION CULTURE IN ROMANIA

Established in 2020 as a temporary tool to boost agile economic recovery as a result of the negative effects of the COVID-19 pandemic, the RRF has the ability, in the case of some Member States, to significantly change the arrangements for public policies implementation. The funding allocated to each Member State through this mechanism is conditional on the achievement of ambitious structural reforms at internal level, in order to facilitate resilience, sustainability and long-term competitiveness and employment (green, digital and towards-new-skills transitions). In this sense, in order to access resources allocated through the RRF, each Member State had to design an NRRP which was ultimately submitted to the European Commission.

As a general condition, the plans must contain both reforms and investments in line with EU priorities and connected to the European Semester findings and recommendations. Investments accepted to be supported by this facility had to be accompanied by reforms deriving from the state of affairs described in country reports and country specific recommendations (CSRs), set out in the 2019 and 2020 European Semester exercises.

As a distinct feature compared to the European funds accessible through the EU's Cohesion Policy, in the case of the RRF, the European Commission's services have discretionary power in relation to the Member States in assessing the achievement of expected results (meeting mutually agreed milestones and targets). On the one hand, European Commission's mandate to monitor the implementation of NNRPs by Member States, aims to ensure that interventions financed by the RRF are implemented in "an inclusive manner to avoid pressure to revert the changes". On the other hand, the Commission's mandate to monitor and evaluate the implementation focuses on the Member States' ability to demonstrate, based on robust records, strengthening of economic, social and institutional resilience. Thus, in the process of implementing their plans, Member States must prove a solid capacity to periodically carry out institutional, functional and process evaluations that focus on: demonstrating

achievement of macroeconomic and social impact; ensuring sustainability and reducing social and territorial disparities. Thus, through the respective evaluations, Member States must fulfill at least the following basic criteria: GDP evolution, budget balance, inflation/wages ratio, evolution of employability indicators, quality of governance, contribution to the EU social scoreboard, performance of the education and training system.

Therefore, it is expected that in the case of Romania, the NRRP will boost the use of evaluations in improving strategic planning and public management in at least two ways. The first refers to demonstrating the implementation of the plan under conditions of sound financial management and performance-based. The second refers to the implementation of reforms related to the improvement of processes concerning the coordination, development and implementation of government policies. The two ways are considered to be default conditions for implementation of the NRRP under the conditions of a predictable and coherent framework. In the following sections each mode is detailed and analyzed.

4.1 The condition regarding the demonstration of implementing the NRRP under sound financial management and performance-based conditions

Regarding the first way of revitalizing the evaluation capacity through the NRRP implemented by Romania, on the one hand, according to the technical conditions concerning the justification of the relevance of the investments, Member States (at the time of designing their plans) had to present evidence-based justifications. On the other hand, Member States had to estimate the macroeconomic and social impact of the plan and long-lasting effects regarding social, budgetary and financial terms that the reforms and investments included in their plans. In the conditions' logic, the anticipated impacts had to be associated with the seven European Flagships (1. Power up; 2. Renovate; 3. Recharge and Refuel; 4. Connect; 5. Modernize; 6. Scale-up; 7. Reskill and upskill), as well as with the European Pillar of Social Rights. This conditionality also applies in the event of changes to the plans during the implementation period. A considerable advantage in the stage of designing and agreeing their

plans with the services of the European Commission belonged to Member States in which public policies and programs evaluation is carried out periodically and in which dedicated structures operate at the level of central and regional public authorities. Thus, states such as Spain, France, Italy or Portugal were among the most skilled in designing and agreeing their plans with the services of the European Commission and subsequently in their approval by the EU Council. In the case of Romania, the process of designing and agreeing its plan with the services of the European Commission was also made difficult by the fact that authorities in the central administration did not have robust records to support investments proposed to be financed through this facility. Also, in the absence of ex-ante thematic evaluations, the ranking and ordering of priorities represented a major challenge for ensuring consistency and complementarity of investments with the requirements of the European Commission services, as well as with internal willingness to accept the reforms that fundament the investments.

Moreover, compared to the European funds related to the EU's Cohesion Policy, the RRF places much more emphasis on providing evidence of achieving long-term effects and expected impact. Thus, each semiannual payment request must be accompanied by records that demonstrate the achievement of long-lasting impacts and effects. Also, in case of requesting the modification of their plans, Member States must demonstrate, based on solid evidence, the opportunity and feasibility of replacing some reforms and investments or adjusting the milestones of certain reforms, respectively reducing targets related to the initially approved investments. Therefore, in addition to creating mechanisms and structures for implementation, management and control, Member States must strengthen their structures responsible for the development of analyses, studies and impact assessments. For Member States where these instruments have been functional for several decades, this condition does not represent an institutional challenge. Meanwhile, in Member States where the culture and capacity of evaluation is still its early stages, this condition represents a significant challenge.

In the case of Romania, there are no operational structures that produce credible and robust evidence from a methodological perspective that demonstrate the fulfillment of technical requirements related to qualitative and irreversible

implementation of milestones and targets agreed with the services of the European Commission. In this logic, both within the coordinating authority of the NRRP (Ministry of Investments and European Projects), as well as in the case of authorities responsible for the implementation of reforms and the coordination of sectoral investments specific to components of the NRRP, lead to the development of some attributions related to (ex- ante, interim and ex-post) impact assessment of the undertaken reforms, as well as ensuring their irreversibility. In a first phase, specific to the first three payment requests, this need was largely met by through technical assistance provided by the World Bank Group, the OECD, as well as other international financial institutions. Analyzes and evaluations of public policies are progressively developed, which highlight the possible risks regarding deviation from the critical path established for the reforms and investments included in the NRRP. As derived from component 14 of the NRRP (p. 14), reforms and investments dependent on contextual political decisions need additional levers to be maintained according to the arrangements agreed with the European Commission services. Obviously, in line with the provisions of Art. 23, paragraph 3 of Regulation 2021/241, in the analysis of payment requests, the services of the European Commission request evidence regarding the quality of the process of meeting milestones and targets as well as the impact made by reforms and investments, especially from the perspective of their irreversibility. In this context, it can be assumed that the transformational power of the EU in driving the creation of specific structures and implicitly in carrying out evaluations that demonstrate the impact of interventions financed through the NRRP will be particularly visible after 2024.

4.2 Strengthening evaluation capacity by implementing specific reforms from the NRRP

The second way of boosting the use of evaluation in substantiation public interventions processes refers to the implementation of a set of reforms specific to components 8 and 14 of the NRRP, focusing on fiscal reform and public administration reform, respectively. The stake of these reforms lies in the

enforcement of a new generation of instruments concerning the implementation of national public policies in close connection with EU policies. As a particularity, this category of reforms does not represent policy innovations. These are rather “drawer reforms”, representing institutional change approaches resulting from technical assistance or administrative capacity development projects, but which were not politically assumed and thus not implemented.

The findings of the ES country reports, especially those of 2019 and 2020, underline the fact that, despite commitments made by the Romanian authorities within the Better Regulation agenda, the process of developing an effective framework for strategic and budgetary planning has been halted after 2016. There is also limited progress in decision-making and in the quality and effective use of assessments, including those related to regulatory impact assessment. That's why one of the objectives of Component 14 of Romania's NRRP focuses on improving governance under conditions of a predictable, substantiated and participative decision-making system, which implicitly leads to the intensification of evaluation practices. At the same time, a series of reforms specific to budget programming related to Component 8, aims to link budget programming to the planning and implementation of public policies and programs.

In the context of the implementation of this set of reforms, the transition from cash-based budget programming to multi-annual program-based budget programming is ensured. This paradigm shift is the enabling factor for the development of the evaluation capacity and culture, initially at central public administration level, and later at the local one. Thus, based on a strategic planning methodology (milestones 401 and 402), the institutionalization of a mechanism for determining the performance of the budget execution (milestone 200) using periodic impartial evaluations was brought back to the fore. According to the understanding given to public interventions evaluation, determining the performance of budget execution actually represents the periodic realization of independent analyzes on the efficiency and effectiveness of public interventions.

A first step taken as part of this arrangement agreed with the services of the European Commission consisted in improving the management and coordination mechanisms of government strategies (see Government Decision no. 379/2022). This approach aimed at updating the procedures related to the development, implementation, monitoring, evaluation and updating of government strategies. The development of analytical capacities in the field of collection and analysis of empirical data necessary for substantiating, monitoring and evaluation of government strategies was also pursued, as well as strengthening coordination mechanisms at central level and a more synergic coupling with the budget programming process. Although the improved version of the methodology was expected to generate deeper changes in the process of developing sector strategies, the changes are mostly incremental in nature. However, from the perspective of public interventions evaluation, the improved methodology requires authorities responsible for implementing the strategies to undertake evaluations according to the arrangements stipulated in the dedicated section.

A second important step for the development of the internal system for public interventions evaluation in the context of implementation of the NRRP refers to the strengthening of the strategic planning process in correlation with budgetary programming specific to a medium-term budgetary framework. Thus, through Government Decision no. 467/2022, an updated version of the Methodology for the development, monitoring, reporting and revision of institutional strategic plans was adopted. Through the updated normative framework, it was possible to extend strategic planning to all ministries, as well as to create necessary anchors for coupling this strategic planning with budget programming. The main paradigm shift in this sense comes precisely from the Ministry of Finance, which starting in September 2022 requires ministries to plan their budgetary needs in close correlation with the programs defined by the institutional strategic plans. Another observed phenomenon refers to the fact that for a better substantiation of strategic planning, ministries have often resorted to various institutional evaluations (such as functional analyzes or self-assessments based on the Common Assessment Framework model), carried out with the support of European funds (especially through projects financed from the Romanian

Operational Program “Administrative Capacity”). However, between practices of strategic planning and those of budget programming, the conceptual and operational convergence still does not materialize in such a way that over time it facilitates the completion of consistent and robust impact assessments from a methodological perspective.

The methodology for the development and execution of budget programs was approved by the Government of Romania on April 6, 2022 (Government Decision no. 467/2022). Authorities responsible for the implementation of milestone 200 have undertaken necessary steps for it to enter into force in the terms agreed with the services of the European Commission (Quarter 2 of 2022). In a counterfactual scenario, if conditions in the NRRP would not have existed, the operationalization of the public policy planning system in accordance with the budget programming would have been delayed, given that Romania is not a member of the Eurozone and participates voluntarily in the Stability and Growth Pact. One of the effects of delaying the entry into force of this normative act is Romania’s entry into the procedure for monitoring significant deviation in February 2017, and later, in February 2020, the procedure for monitoring excessive budget deficits. Both procedures condition the Romanian Government to design and implement substantial structural reforms so that the two procedures are closed (according to the arrangement agreed in the context of the NRRP negotiation, they had to be closed at the end of 2024).

The methodology for the development and execution of budget programs is applied starting with the 2023 budget exercise. Among the defining aspects of this normative act, one refers to the fact that the evaluation of public policies results and efficiency of expenditures made from public funds through the lens of their effects in the short, medium term and long falls under the responsibility of the main credit administrator. In this sense, at the time of designing the programs, the credit administrator must establish and define process indicators, efficiency indicators and result indicators. However, only in the case of result indicators it is specified that they are useful for decision-makers and society to evaluate the level and impact of the program’s implementation. Also, the responsibility for collecting information during the course of the program so that monitoring and reporting of the indicators is based on reliable data sources

becomes the responsibility of the credit administrator. Moreover, in the process of developing programs and indicators, the credit administrator must consider the Methodology for the development, monitoring, reporting and revision of the institutional strategic plans approved according to Government Decision no. 427/2022.

As a critical finding, after the second year of implementation of the new paradigm, the process of developing and executing budget programs focuses more on the monitoring component and less on the program evaluation component. This indicates that at the level of the central public administration, a critical mass in favor of evaluation has not yet emerged. Consequently, although one of the effects of this normative act will be to boost the performance of budget program evaluations, the evaluation culture will not significantly strengthen. This assumption is based on the fact that in the case of a legalistic administrative culture, in order to boost evaluation request, it is necessary for both legal and normative framework to be fully prescriptive in order to condition the exact compliance of the main credit administrators so that they produce periodic evaluation reports. As in the management system of European funds, explicit provisions of the EU regulations regarding the implementation of funds, as well as those of the subsequent EU legislation or that of guidance (such as the Evalsed guide) are defining for ordering the periodic completion of evaluations based on the specific plans. In the absence of such provisions, authorities responsible for managing European funds would ignore the evaluation stage of operational programs financed through European funds and would limit themselves to a monitoring process at most.

5. CONCLUSIONS

As is the case of other states in the region, the evaluation system in Romania was created and developed on two separate flows, that of policies and programs financed from the state budget and another based on interventions from non-reimbursable and reimbursable external funds. In the case of the first flow, development was latent and sporadic, dependent on various political

conjunctures. In contrast, the second flow is characterized by a much more coherent, methodical and purposeful development. This differentiated development results mainly from the conditions of European funds management. Thus, 16 years after joining the EU, the coercive method of institutionalizing and developing an evaluation system of public interventions proves to be effective in relation to the normative or voluntary method.

Due to the many conditions related to European funds accession (such as implementing the NRRP reforms and ensuring their irreversibility; fulfilling the 19 favorable conditions applicable to Romania in the context of implementing European funds related to the EU's Cohesion Policy; as well as implementing of the country's recommendations issued by the European Commission and the Council in the context of implementation of the European Semester), the public system in Romania is currently within the premises of a situation experienced during the EU pre-accession period. However, as described in the first part of the article, this was the most prolific development period of the internal system for public interventions evaluation. In addition to all of this, the fact that starting from 2022, Romania is implementing the Roadmap for the OECD accession process must also be considered. The decision to join the OECD will also take into account the existence and functioning of a high-performance system for evaluating public interventions.

As demonstrated in the second part of the article, the necessary normative premises were created for the revival of the internal system for public interventions evaluation. For the time being, measures such as normative conditioning are sufficient to ensure the continuity and sustainability of the processes of strengthening the evaluation capacity. Unlike the pre-accession period, by applying a system of conditioning the payment of financial installments to results and performances obtained at the level of public systems, this time it is expected that the internal system for evaluating public interventions will be strengthened and diversified. Also, implementing the mechanism of strategic planning with budget programming leads to decisions regarding the continuation or ending public interventions based on independent analyzes and evaluations, which can provide methodologically sound records. That is why, following this process, it is expected that the demand for and

supply of evaluation will increase significantly, both towards improving strategic and operational planning, and strengthening public management.

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