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CONTENTS

Preface

The second EPR of Romania began in July 2011 with a preparatory mission. During this mission, the final structure of the report was discussed and established. A review mission took place on 15-22 November 2011. The international team taking part included experts from Germany, Hungary, Italy, the Republic of Moldova and Slovakia, as well as from UNEP and the ECE Secretariat.

The draft EPR report was submitted to Romania for comments and to the ECE Expert Group on Environmental Performance Reviews for consideration in March 2012. During its meeting on 4-5 April 2012, the Expert Group discussed the report in detail with representatives of the Government of Romania, focusing, in particular, on the conclusions and recommendations made by the international experts.

The EPR recommendations, with suggested amendments from the Expert Group, were then submitted for peer review to the eighteenth session of the ECE Committee on Environmental Policy on 18 April 2012. A delegation from Romania participated in the peer review. The Committee adopted the recommendations as set out in this report.

The Committee on Environmental Policy and the ECE review team would like to thank the Government of Romania and its experts who worked with the international experts and contributed their knowledge and assistance. ECE wishes the Government of Romania further success in carrying out the tasks involved in meeting its environmental objectives, including the implementation of the recommendations in this second review.

ECE would also like to express its appreciation to the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety and to the German Federal Environment Agency for their support of the EPR Programme through the Advisory Assistance Programme for Environmental Protection in the Countries of Central and Eastern Europe, the Caucasus and Central Asia; to Germany, Italy and UNEP for having delegated their experts for the review; and to the United Nations Development Programme (UNDP) for its support of the EPR Programme and this review.

Executive summary

The first Environmental Performance Review (EPR) of Romania was carried out in 2001. This second review intends to measure the progress made by Romania in managing its environment since the first EPR and in addressing upcoming environmental challenges.

Since 2000, the Romanian economy has improved substantially. According to the World Bank, Romania is now characterized as an Upper Middle Income country. Its gross domestic product (GDP) increased from US$127.9 billion in 2000 to US$311.7 billion in 2010. Despite this general trend, the global economic and financial crisis caused a 2.5 per cent drop in GDP between 2008 and 2009. However, economic growth recovered and GDP increased again in 2010, surpassing the 2008 level.

The overall standard of living in Romania improved over the past decade. Real GDP per capita rose by nearly 60 per cent from 2000 to 2011. There has also been progress in catching up with average living standards in the European Union (EU), although there is still a considerable way to go. GDP per capita (at purchasing power parity, or PPP) corresponds to 46 per cent of the EU-27 average, up from 26 per cent in 2000. Despite the progress made, Romania (along with Bulgaria) still has the lowest per capita income in the EU. Furthermore, Romania's ranking in UNDP's Human Development Index (HDI) has improved. The *Global Human Development Report* of 2006 showed that Romania had risen to the group of high HDI countries. The 2011 HDI value of 0.781 places Romania 50th of 187 countries, on the basis of comparable data.

Foreign direct investment (FDI) in the country has fluctuated sharply. FDI in Romania, which amounted to US$1 billion in 2000, increased to almost US$14 billion in 2008. A sharp decline started in 2009, and FDI fell to US$3.5 billion in 2010.

The export volume of goods and services has increased during the past decade. This is due to changes in Romania's foreign trade policy and to increased competitiveness owing to a more diversified export offer. The share of exports of goods and services increased from 32.8 per cent of GDP in 2000 to 35.5 per cent in 2010.

At the same time however, Romania's external debt has grown. In 2000, the country's gross external debt stood at US$11 billion, rising to US$38.8 billion in 2005 then peaking in 2010 at US$122.9 billion. The country's public debt was 34 per cent of GDP in 2011, up from 31 per cent of GDP in 2010.

In 2009, Romania agreed a two-year financial assistance package worth nearly €20 billion with the EU and other international financial institutions. The aim was to prevent difficulties resulting from the global economic and financial crisis of 2008, by supporting the balance of payments, securing the credit and investment flow and consolidating the reserves of the Romanian Central Bank. The Romanian Government continues to work to fulfil the EU convergence criteria and the terms of the Stability and Growth Pact, as well as to ensure long-term stability of the exchange rate, with the objective of switching to the euro.

Policymaking framework for environmental protection and sustainable development

Since the first EPR, in 2001, Romania has undergone significant economic, social and environmental changes. On 1 January 2007, Romania became a member State of the EU. Accordingly, a constant challenge for the environmental authorities of the country is to ensure

compliance with new requirements that arise continually and to operate new institutional structures effectively.

Since the first EPR, all key laws on environmental protection have been affected by the country's accession to the EU in January 2007. The adoption and implementation of new regulations for environmental protection have become legislative priorities for Romania. The current regulations are based on several legal principles, as in the case of other EU member States, such as: (i) compliance with the environmental *acquis communautaire*; (ii) integration of environmental concerns into sectoral policies; (iii) monitoring and reduction of climate change risks; (iv) application of the "polluter pays" principle; (v) preservation of biodiversity and specific ecosystems; (vi) sustainable use of natural resources; (vii) disclosure of environmental information and public participation in decision-making; and (viii) international cooperation for environmental protection.

There are several parallel ongoing strategy-making and planning processes within the country. Many of these documents are interlinked due to their cross-cutting nature, although procedures for their elaboration are not necessarily the same. Thus, the interconnectedness of strategies, plans and programmes needs to be improved.

The key policy document on sustainable development, the second National Sustainable Development Strategy 2013–2020–2030 (NSDS-2), was approved by the Government in 2008. It provided objectives and general guidance for actions to be taken during the three distinct periods until 2013, 2020 and 2030. Although environmental aspects were taken into account for several actions, the Strategy did not directly support their implementation.

In the 2009–2012 Government Programme, one of the 26 chapters is dedicated to environment. A Ministerial Decision was adopted on the preparation of monthly reports on the implementation of this chapter, to be compiled by the Ministry of Environment and Forests (MoEF), including activities of all ministries. As information comes from several sources, a uniform table was developed in order to facilitate the summary. However, from experience so far, it is not always clear to different contributors exactly which kinds of activities need to be notified. Consequently, sometimes relevant information on certain activities does not appear in the reports.

One of the six national development priorities of the National Development Plan (NDP) for the period 2007–2013 is to protect and improve the quality of the environment. High-priority areas in the NDP are the improvement of water, soil and air quality, and natural resources management. The NDP provided the foundation for the National Strategic Reference Framework (NSRF) for the period 2007–2013.

Environment is high on the priority list of the NSRF for the period 2007–2013. The NSRF is implemented through sectoral operational programmes (SOPs) and operational programmes (OPs). The SOP on environment attracted almost one quarter (23.5 per cent) of funding in the NSRF budget allocation.

Compliance and enforcement mechanisms

Since the first EPR, Romania has worked to establish an environmental regulation and compliance assurance system that would respond to the needs arising from the country's EU accession and membership. Romania uses regulatory impact analysis (RIA) and has fully aligned the strategic environmental assessment (SEA), environmental impact assessment (EIA) and permit-issuing procedures with EU requirements. Its inspection system is broadly compliant with the Recommendations on Minimum Criteria for Environmental Inspection.

While making good progress, Romania still needs to streamline and improve some of the elements of its system of environmental regulation and compliance assurance. The goal of such rationalization would be to reduce the regulatory burden on both economic agents and competent authorities, with a view to achieving a higher level of compliance with the budgetary resources available to them.

Both the two key competent authorities and their stakeholders face problems, often of a technical character, in respect of access to relevant regulatory and enforcement information. The National Environmental Protection Agency (NEPA) and the National Environmental Guard (NEG) do not have a joint database that would facilitate information-sharing on both the technical characteristics of regulated entities and their most recent compliance behaviour and enforcement actions taken against them.

NEG's performance indicators show a very high intensity of inspection, while site visits are very short. A relatively low incidence of identified cases of non-compliance also poses the question of whether the risk analysis criteria should not be adjusted. Moreover, the number of unplanned inspections is particularly high in Romania and "hides" some planned inspections. In addition, the strategy of dealing with complaints may need to be adjusted, since they mostly reveal petty non-compliance, often not related to environmental requirements, and take up too much time for NEG's experts.

Large companies have become increasingly prone to using voluntary approaches, such as ISO 14000 series certification. In 2010, Romania ranked among the top 10 countries in this respect. However, certification under the EU's Eco-Management and Audit Scheme (EMAS) is comparatively poor, with only six enterprises and four organizations participating in the scheme so far.

Monitoring, information, public participation and education

Romania has made significant improvements in the area of environmental quality monitoring. These include putting in place the necessary legal framework, setting up institutions, and adopting national programmes, action plans, and a number of parameters, criteria and methods. Furthermore, over the past 10 years, foreign technical assistance and loans have helped the country to acquire advanced monitoring equipment and modernize its laboratories, stations and posts.

As a signatory to several regional and international environmental treaties and agreements, Romania complies with its reporting duties and periodically submits its national reports. However, the level of environmental reporting for Romanian listed companies is very low. Romanian companies provide general information regarding their environmental impact, but such information is generally incomplete and irrelevant for users. This is due to the absence of national or international regulations that would impose reporting certain information regarding a company's environmental impact.

Romania has made progress in increasing public participation in environmental decision-making. The public has now an opportunity to engage in public consultations, hearings and debates on environmental matters ranging from environmental review procedures to the development of environmental plans and programmes (PPs) and their implementation. Furthermore, Romania has moved ahead in putting in place a number of laws on access to justice in environmental matters in order to ensure prevention and remedy environmental damage.

Romania has approved the ECE Strategy for Education for Sustainable Development (ESD). The Ministry of Education, Research, Youth and Sport (MoERYS) is the decision-making authority designated for reporting on matters related to ESD. A number of activities have been

implemented in support of environmental education projects that enhance the public's awareness, knowledge and skills in order to help people make informed decisions that affect environmental quality. However, Romania has not yet adopted a national strategy on sustainable development or national implementation plan on ESD, as recommended by ECE.

The level of cooperation between MoEF and the environmental non-governmental organization (NGO) community on a number of environment and sustainability issues is not yet adequately developed. The partnership between the two is not a proactive one. Invitations to attend each other's meetings are not sufficient to deal with broader environmental issues. The goodwill has to be translated into a more substantive working relationship to tackle a number of environmental challenges, and to utilize the knowledge and expertise of the NGO community.

Environmental international agreements and commitments and their implementation

Since the first EPR, Romania has pursued an active role in international cooperation on environmental protection and sustainable development. The most significant results have been achieved in transboundary cooperation on water, industrial accidents and biodiversity conservation, particularly with regard to the Danube River basin.

Romania is a party to 67 multilateral environmental agreements (MEAs). The country has lately strengthened its commitment to the global and regional process relating to sustainable development and the environment through the implementation of Agenda 21 at local level following the 2002 World Summit on Sustainable Development (WSSD), and achievements with regards to the Millennium Development Goals (MDGs).

EU accession has also accelerated implementation of international provisions at national level. In particular, the considerable volume of pre-accession European assistance available to Romania has represented a significant financial resource for making progress in this field. Although discrepancies still exist between Romania's performance and the EU average, particularly with regard to certain key sustainable development indicators (SDIs), the GDP growth between 2001 and 2007 qualifies Romania for the status of development aid donor.

Despite the concrete achievements in the field of environmental international cooperation, Romania does not rely on strategic policy planning to identify national priorities and coordinate activities in the field of international cooperation. There is no single document setting out a general framework for international cooperation on the environment, even though some elements of such a framework may be found in different policy documents, such as NSDS-2, adopted in 2008, and the 2009–2012 Government Programme.

Romania has made progress in ensuring better access to information and public participation in the decision-making process as well as a contribution to public awareness of environmental matters. MoEF holds meetings with relevant stakeholders from time to time to exchange views, but no structural dialogue between the Romanian private sector and environmental authorities is currently foreseen.

Economic instruments for environmental protection

Since the first EPR, Romania has strengthened the use of economic instruments to achieve environmental objectives. Law No. 265 (2006) on Environment Protection established the "polluter pays" and the "user pays" principles as well as the principle of sustainable use of natural resources. Accordingly, the Government has introduced a range of environment-related taxes and other charges. The pursuit of environmental objectives is, moreover, supported by various subsidy schemes. Green public procurement (GPP) and eco-labelling schemes have also been established.

Romania applies a system of taxes for emissions of air pollutants and water pollutants. Not all air pollutants that are subject to emission limit values, however, are also subject to a pollution tax. Some of the tax rates applied appear to be rather low, also when compared with rates applied in other countries. There is no publicly available evaluation of these taxes as regards their impact on the behaviour of polluters.

A system of waste taxes is applied to waste generation by enterprises, in some cases linked to EU directives or national targets. There is also a landfill tax on the deposit of potentially recyclable waste, and a new tax to be paid by municipal administrations that fail to meet the established annual targets for the reduction of collection and deposited waste. Nevertheless, efforts to systematically organize municipal waste collection and disposal have only started in earnest in recent years. There is no published information on the degree of cost recovery of waste charges applied and on collection rates.

The water supply and sewerage sector has been undergoing a significant transformation with the establishment of regional water companies. Improvements in the water supply and sewerage infrastructure have been in parallel with a progressive increase in tariffs to cost recovery levels. However, the system of water abstraction charges does not appear to be generating sufficient revenue to cover adequate repair and maintenance of the corresponding infrastructure, including the need to cope with damage from weather hazards.

Car owners are subject to a car pollution tax, which is basically a registration tax with an exhaust emission norm component, and an annual car ownership tax based on engine capacity. In fact, the car pollution tax has been the dominant source of income of the Environmental Fund (EF) since 2008. Nonetheless, the car pollution tax and the annual ownership tax are not related to actual car use and are therefore unlikely to impact upon purchasing decisions concerning the fuel efficiency of cars, which are more likely influenced by the level of fuel excise duties.

Legislation to liberalize the electricity and gas markets for end users entered into force in 2007. However, a large proportion of consumers have preferred to stay in the regulated market segment, given the lack of financial incentives to switch to suppliers in the competitive market segment. Electricity prices in Romania are among the lowest in the EU, and gas prices have been the lowest for many years. There is evidence of cross-subsidization of residential users by industrial users. Low energy prices, in turn, stimulate demand not only from residential users but notably in energy-intensive industries. At the same time, they curb incentives for private investors to engage in the energy sector which, in principle, has a strong need to attract private capital.

The proportion of environment-related tax revenues in total tax revenue was 7 per cent in 2009 compared with an EU average of 6.3 per cent. Transport fuel taxes accounted for three quarters of environmental tax revenues, while the remainder is broadly equally divided between taxes on other energy products and taxes on transport equipment. Revenues from pollution/natural resource taxation were on a declining trend between 2005 and 2009, and their relative contribution to total tax revenue was insignificant in 2009. This places Romania within the lower tier of EU member States.

In 2010, the total amount of fines imposed by NEG for non-compliance with environmental regulations amounted to 77.3 million lei (some €18 million), an increase of 57 per cent compared with 2009. However, only about one quarter of all fines imposed were actually collected in 2010. Revenues collected from fines are allocated to the general State budget, with the exception of water pollution-related fines, which are earmarked for water quality protection and monitoring.

Expenditures for environmental protection

The activities of the EF are financed from a number of environment-related revenues which have been earmarked for environmental protection. More generally, revenues are designed to reflect the "polluter pays" principle, the principle of producer responsibility and the "user pays" principle. Revenues were relatively modest until 2007, but the resources available to the Fund have increased considerably following the introduction of the car pollution tax in 2008.

A striking feature is that, in most years since the start of its operations, actual EF expenditures corresponded to less than half of annual revenues. Actual payments for project financing corresponded to less than 40 per cent of the corresponding annual budget appropriations during 2004–2010. The major factor behind the large gap between revenues and expenditures has been the lack of adequate administrative capacity, as reflected by long delays in the project approval process and the small number of projects approved per year.

The main instrument employed by the Government to promote the increased use of renewable electricity is a mandatory quota system combined with tradable green certificates (GCs). Each GC represents the value of renewable electricity at a given point in time, providing producers with market signals. On the other hand, the price range established for trading of certificates is relatively wide and cannot therefore truly remove risks concerning the current and future prices for certificates. Given these price risks that investors are facing, such a quota obligation system is best suited for renewable technologies that are relatively mature and close to being competitive with fossil fuels.

Romania has faced considerable problems in absorbing the sizeable EU structural funds made available for promoting the objective of convergence towards the EU. There are various reasons for the very low effective fund absorption rate, which include lack of adequate administrative capacities to deal effectively with areas such as project management, cofinancing, public procurement, audit and control.

There has been notable progress in Romania as regards the efficiency of project preparation and selection procedures. This is reflected in a rise in the commitment ratio from 44 per cent in mid-2010 to 81.6 per cent at the end of 2011. Nevertheless, project preparation and cofinancing capacity are weak, especially at the municipal/regional level, where the bulk of infrastructure investments will take place.

Sustainable management of water resources and protection of the Black Sea

The general trend underlying water demand for population, industry and agriculture is one of decline. This is due to the installation of water meters, increased water prices, use of modern technology in industry, and a decline in the water needs of agriculture – although, according to a survey by the National Institute of Hydrology and Water Management (NIHWM), water demand is expected to increase in the future. This will result from a growth in water demand in the industrial sector and for livestock, as well as an increase in national irrigated areas.

The geographical position of the country, in both the Danube River basin and the Black Sea region, made it necessary for Romania to declare its whole territory a sensitive area. Accordingly, all municipalities with more than 10,000 population equivalent (p.e.) must ensure a wastewater infrastructure with advanced treatment. Action plans for municipalities have been prepared, together with an assessment of the current wastewater infrastructure and investments in this field.

Local authorities are entrusted with responsibility for drinking water supply as well as wastewater disposal and treatment. As the State does not provide any financial support for the financing of local water infrastructure, a major effort by the municipalities is required. However, local authorities do not yet have sufficient of their own resources to meet these needs, and operators of public water supply and sanitation have very limited financial resources.

In all, 56.9 per cent of the population is linked to wastewater collection systems. In rural areas, however, only 4.1 per cent is connected to sewerage systems, which means that rural wastewater management remains the major challenge for coming years. Further efforts are needed to improve administrative efficiency and ensure good absorption of the EU Cohesion Fund (CF) during the period 2007–2013.

Often, water supply and sanitation networks are not introduced simultaneously in rural areas, due to varying financing plans and priorities. Water supply is frequently given higher priority than sanitation. However, households can only be connected to the water supply network if they are already hooked up to a sewerage disposal system. These discrepancies often lead to illegal household connections, in addition to which the lack of sewage disposal places intense stress on groundwater and surface water. There is a need to enforce coordinated implementation of water supply and sewage disposal.

For the treatment of wastewater from industry, technical requirements apply to all industries. As a result of this one-size-fits-all policy, several industries are unable to comply with limit values they cannot reach. For instance, there need to be separate request catalogues for the food industry and the metalworking industry.

The increase in the number of urban wastewater treatment plants (UWWTPs) will generate an important amount of sludge. Major investments are required to build adequate facilities for the treatment of sludge generated by wastewater treatment and to find new ways of using it. However, there is currently no national strategy for sludge management.

Eutrophication is a phenomenon that occurs over wide areas of the Black Sea and concerns the entire Black Sea basin. Strategies and measures have been implemented within the framework of international cooperation with the countries bordering the Black Sea and in the context of the International Commission for the Protection of the Danube River (ICPDR). This includes in particular the implementation of the EU Water Framework Directive (WFD) as well as the adoption of the 2011 Law on the Integrated and Sustainable Development of the Coastal Area.

Waste management

The key driver of changes in waste management in Romania is the need to achieve compliance with EU legislation. The process is supported by the development of strategies and regional waste management plans (RWMPs), and EU funds for investment in new waste management infrastructure. Tangible results have not yet been forthcoming from the implementation of the National Waste Management Strategy (NWMS) and National Waste Management Plan (NWMP), but conditions are being created to achieve an integrated waste management system geared to waste recovery over the medium term.

The bulk of municipal solid waste (MSW) is disposed of in landfills and dumpsites. Less than 3 per cent of collected MSW is recycled. These trends are due to low waste tariffs, which do not generate sufficient income for future investments. Accordingly, waste separation and recycling infrastructure are not yet sufficiently developed to achieve targets set by the EU. However, the

volume of recycled secondary raw materials is growing fast, reflecting large investments in waste recycling infrastructure.

The quality of waste service is satisfactory in urban centres. However, collection services in side streets and outlying areas have to improve. Additionally, coverage of the rural population must be increased. Municipalities need greater control over the activities of private collection companies, but the prevailing system of individual contracts makes this difficult. The introduction of municipal/regional contracts would allow better planning of waste collection services for the entire municipality or region, including rural areas.

Although there are no legal or political barriers for greater involvement of international companies in the Romanian waste market, their share remains small. Romania can speed up the process of modernizing waste management and ensure effective utilization of developed infrastructure by attracting large international waste management companies.

Shutting down some Romanian mines and modernizing others that have remained in operation has led to significant changes in waste generation. The generation of non-hazardous waste from mining has decreased by half and hazardous waste from mining has decreased by 95 per cent. Although some additional mines may be closed and remediation of closed ones continues, transformation of the mining sector has been successful, with positive impacts on the environment.

The system of data collection on waste generation, collection, treatment and disposal is well developed but its potential is not fully utilized. In view of the necessity to develop a new waste management strategy and plans for the period after 2013, detailed and well-structured statistical information will be needed to assess the success and impact of the current waste management strategy and develop baselines for the new waste management strategy.

Forestry, biodiversity and protected areas

Romanian forests cover 29 per cent of the total land area and have some of the richest biodiversity in Europe. The forest sector contributes 1.8 per cent to the gross value added of the national economy, but recreational use is a main management goal for only 5 per cent of forests. As a means of greening the economy, Romania should seek ways to further benefit from its natural wealth and invest in the maintenance of forest ecosystem services and development of recreation and tourism.

The restitution of part of the forests to private ownership in recent years has led to an increased harvest and wood supply from these forests compared with the management practices of the National Forest Administration (NFA) Romsilva. Private forest owners often do not seem to follow sustainable forest management techniques. At the same time, Government authorities claim that there is a problem because private citizens whose forested land was identified as a Special Protection Area (SPA) or Site of Community Importance (SCI) have not yet been appropriately compensated for economic losses associated with changes in land use required under the Natura 2000 criteria. Landowners therefore need to be better informed on how to make a claim to the State to be compensated for the restrictions imposed on them.

Romania experienced impacts on its biodiversity due to the changes brought about by the transition to a market economy. At the same time, with integration into the EU, there is an opportunity for both improved management of biodiversity and greater involvement by civil society in addressing the impacts of economic activities so that the rich natural heritage of Romania is conserved for future generations. Romania has just finalized its new National Biodiversity Strategy and Action Plan (NBSAP), which awaits approval by the Government.

However, no holistic system for biodiversity monitoring to support decision-making at the national level has been set up, and most databases on wild species and habitats are a result of initiatives by universities, museums, research institutions and NGOs.

Romania has built a network of protected areas (PAs) that covers 19 per cent of the national territory, including Natura 2000 sites with species and habitats of European importance. However, the country has only three approved management plans for PAs, and one pending approval. Therefore, there is an urgent need to develop management plans for all PAs. Regulations need to be clarified and measures implemented specifically for each PA, and these measures should be reviewed and evaluated on a routine basis.

MoEF appears to be working in isolation from other sectors in the Government. This could be affecting the desired goal of mainstreaming the values of biodiversity, forests and PAs into decision-making processes at the national level. Particularly in the management of SPAs and SCIs, it is important to work intersectorally so that policies are not contradictory and reflect the need to manage these sites in national planning.

Climate change

Both the National Strategy on Climate Change (NSCC) and the National Action Plan on Climate Change (NAPCC) for the period 2005–2007, currently in use, are in effect outdated and focused on mitigation efforts. Romania does not have either a climate change adaptation strategy or a climate change action plan; rather, the 2008 Guidelines on Adaptation to Climate Change are the only document on adaptation. The long-overdue strategy on climate change which is now under preparation needs to have a long-term time horizon, and to give adequate weight to both mitigation and adaptation issues.

Romania's greenhouse gas (GHG) emissions trading was halted in August 2011 when the Compliance Committee of the Kyoto Protocol suspended the country's right to trade its Assigned Amount Units (AAUs). The reasons for the suspension were the deficiencies in the National Greenhouse Gas Inventory (NGHGI) and the failure to comply with the requirements of the inventory's methodology. By the end of 2011, however, the Romanian authorities had started to correct the non-compliance situation of the inventory with a set of measures.

The National Commission on Climate Change (NCCC) is underutilized as a Government-wide climate change cooperation body. NCCC is an interministerial consultative body which supports the integration of climate change policy within sectoral policies and provides advisory services related to the approval of the National Communications on climate change under the United Nations Framework Convention on Climate Change (UNFCCC) and the GHG inventories. Although NCCC's consultative and advisory role is central in facilitating interministerial and inter-agency work and dialogue on climate change issues, this key body is underutilized due to the lack of regular meetings.

At present, there are no working groups on climate change issues such as energy efficiency, transport or agriculture other than the Working Group on Adaptation (WGA). This body was established in 2007 to develop, monitor and coordinate the implementation of climate change adaptation actions mentioned in the NAPCC. Combating climate change requires information-sharing and cooperation within Government and between Government and other relevant stakeholders, such as research institutes and civil society.

Most of the reductions in GHG emissions up until now have been an outcome of the consequences of Romania's economic transformation process rather than of mitigation efforts. The Romanian economy has experienced a clear decoupling of energy consumption from GDP growth. Between 2000 and 2009, GDP increased by 64.9 per cent, while total primary energy supply (TPES) rose by only 8.8 per cent. Thus, the economy is using less energy for production. GHG emissions per capita and per produced GDP unit decreased during the same time period by 6.7 and 45.8 per cent respectively.

Conclusions and recommendations

Chapter 1 Policymaking framework for environmental protection and sustainable development

NSDS-2 was approved by the Government in 2008. It provided objectives and general guidance for actions to be taken. This guidance can be applied effectively for elaborating further programmes and action plans. Revision of NSDS-2 was scheduled for June 2011, with special emphasis on decisions related to financing. Review and amendment are necessary in the light of results that have been achieved and changes in SDIs.

Additionally, a short-term action plan has to be developed, identifying the tasks, responsible institutions and organizations, and relevant budgets. No information is available on this revision, however. There is no sustainable development council involving all stakeholders in Romania.

Recommendation 1.1:

(a) The Interministerial Committee for the Coordination of the Integration of Environmental Protection into Sectoral Policies and Strategies at the National Level should initiate a comprehensive evaluation and revision of the second National Sustainable Development Strategy, including:

(i) In the first phase, development of a short-term action plan of the second National Sustainable Development Strategy, identifying the tasks, responsible bodies and financial resources;

(ii) In the second phase, evaluation and revision of the mid-term and long-term objectives and a lasting solution for financing implementation of the second National Sustainable Development Strategy; and

(b) The Government should set up a national Sustainable Development Council with broad representation of civil society and stakeholders to provide advice on the development of its future sustainable development policy.

There are several parallel, ongoing processes which have to be interconnected. Strategies, plans and programmes are developed in different strategy-making and planning processes (Government Programme, NSDS-2, NSRF, programmes supported by EU and other external donors, sector and subsector strategies).

Aspects for elaboration of these documents and the objectives and measures defined are not necessarily the same across all documents; however, their cross-cutting nature has to be considered in the phase of development. Regular evaluation is considered in most of these strategies and programmes as an important element of implementation, but this activity is not always performed.

Recommendation 1.2:

The Interministerial Committee for the Coordination of the Integration of Environmental Protection into Sectoral Policies and Strategies at the National Level should:

(a) Improve the coordination and harmonization of relevant strategies and programmes, taking into account results of forward-looking analysis; and

(b) Improve monitoring and evaluation of progress made in the implementation of the adopted policy documents in order to provide regular feedback for revision of the ongoing actions and preparation of the new ones.

Expert-level cooperation between MoEF and other ministries is fairly diverse. Some ministries have a relatively small environment unit, usually working under the direction of the Secretary General, whereas other ministries do not. In the latter case, cooperation is initiated based on personal networks and experience. Consequently, the quality of cooperation between ministries is not constant. Responsibility of the appointed unit is generally limited to providing coordination between MoEF experts and experts from its own ministry.

While this is, of course, an important issue, effective and sustained cooperation between ministries requires an internal consultation phase with input by professionals working in particular subject areas. Strengthening the personnel of the mediator unit with professional experts would allow their direct participation in interministerial consultations. Thus, the time-consuming second phase of internal consultation would no longer be necessary.

Recommendation 1.3:
The Government should:

- *(a) Ensure that public authorities with environment-related functions and impacts establish a dedicated environment unit, unless they already have one; and*
- *(b) Strengthen cooperation between these public authorities.*

Chapter 2 Compliance and enforcement mechanisms

Since the first EPR, Romania has worked to establish an environmental regulation and compliance assurance system that would respond to the needs arising from the country's EU accession and membership. For the environmental sector, EU membership brought an enlarged scope of regulation and new compliance challenges, resulting, most importantly, from the costs of compliance and a relatively short period for fully transposing and applying the EU *acquis communautaire*.

On the road to full compliance, Romania has achieved procedural compliance with many administrative requirements and defined transitional periods and measures for ensuring substantive compliance. Thus, Romania uses RIA and has completed the full alignment of SEA, EIA and permit-issuing procedures with EU requirements. Its inspection system is broadly compliant with the Recommendations on Minimum Criteria for Environmental Inspection.

The last decade has also seen important changes in the structure of competent authorities in charge of compliance assurance. The Government of Romania decided to split the permit-issuing and inspection arms, with a view to rendering the workload more manageable and ensuring that decision-making is free of unwanted pressure, thereby safeguarding the professionalism and integrity of staff. Simultaneously, risk-based inspection tools have been introduced which bring the benefit of targeting compliance-monitoring activities and reducing the likelihood of groundless discretionary decisions. Guidelines for carrying out inspections have been developed to ensure coherence of compliance-monitoring activities nationwide. The competent authorities have a good understanding of the regulated community and dedicate resources and time to identifying new, undeclared businesses. Lately, the value of compliance promotion has become more evident for the competent authorities, and their new approach of providing positive incentives and using information-based tools of compliance assurance needs to be pursued. Cooperation with the general public and NGOs helps in identifying cases of non-compliance.

Against the background of procedural and organizational improvements, a satisfactory level of environmental compliance is reported by NEG. While all regulatees are checked at least once every two years, only some 15 per cent of them become subject to "core" administrative non-compliance responses, such as warning notices and fines. As many large enterprises have

established environmental management systems according to the ISO 14001 standard, Romania ranks among the top 10 countries in terms of the number of certified enterprises.

While making good progress, Romania still needs to streamline and improve some of the elements of its system of environmental regulation and compliance assurance. The goal of such rationalization would be to reduce the regulatory burden on both economic agents and competent authorities with a view to achieving a higher level of compliance. A first step towards higher efficiency would be to adjust the scope of environmental assessments and permit issuing. Changing the legal requirements in order to decrease the number of cases subject to SEA, specifically by removing from the list of activities detailed urban plans which are not associated with any changes in land use (unlike the general urban plans and zonal urban plans) and assigning them to the EIA procedure, if relevant, would lighten the workload of NEPA.

Recommendation 2.1:
The Ministry of Environment and Forests should:

- *(a) Review the regulatory acts that define activities subject to Strategic Environment Assessment in order to decrease the number of cases subject to it and streamline assessment procedures; and*
- *(b) Consider diminishing the regulatory load on the National Environmental Protection Agency by delegating some of its current tasks, such as certain category screening of Environmental Impact Assessment, to local authorities.*

Both the two key competent authorities and their stakeholders face problems, often of a purely technical character, in respect of access to relevant regulatory and enforcement information. NEPA and NEG do not have a joint database that would facilitate information-sharing on both the technical characteristics of regulated entities and their most recent compliance behaviour and enforcement actions taken against them (both agencies have certain enforcement powers). The intermittent work on the NEPA website and irregular updating of the websites of both NEPA and NEG would be very simple to address. There are some problems with activity reporting. NEPA activity reports are not available at all.

Activity reporting by NEG has been up and down over recent years, with data for 2007 and 2008 missing, at least from the public domain. In 2011, NEG made a major effort to report on a set of performance indicators on a four-monthly basis. Unfortunately, the structure of annual reports does not foresee a place for cross-regional comparisons that are needed to understand the coherency of compliance assurance efforts on a national level.

Facility-specific compliance information is available to the general public from four-monthly reports, although a searchable online database would magnify the benefits that NEG can extract from its efforts to uncover non-compliance. In the same vein, NEG could envisage disclosing the results of risk analysis conducted in conjunction with its annual inspection planning.

Recommendation 2.2:
The Ministry of Environment and Forests should improve National Environmental Protection Agency and National Environmental Guard information management and disclosure practices, by arranging that these public institutions:

- *(a) Regularly update their websites and disclose a wider range of information, particularly as concerns permit issuing and compliance monitoring of high-risk installations;*
- *(b) Establish a nationwide, shared database with facility-specific regulatory and compliance assurance information, thus ensuring a smoother flow of relevant data between the two institutions;*

(c) *Disclose the results of facility-specific risk analysis information and check the coherence of regulatory requirements and compliance assurance across the entire country; and*
(d) *Improve reporting activities and performance, including by extending indicator comparison to longer time series and by adding a subnational perspective.*

Performance indicators for NEG show a very high intensity of inspection, while site visits are very short. In this context, NEG management may consider how to reconcile quantitative and qualitative objectives within its compliance monitoring strategy. A relatively low incidence of identified cases of non-compliance also poses the question of whether the risk analysis criteria should not be adjusted. Moreover, the number of unplanned inspections is particularly high in Romania, and "hides" some planned inspections, such as thematic campaigns.

The typology of unplanned inspections therefore needs to be revised. In addition, the strategy of dealing with complaints may need to be adjusted, since they mostly reveal petty non-compliance, often not related to environmental requirements, and take up too much time, thus reducing the availability of NEG experts for serious cases. Since responding to citizens' complaints is mandatory, some responsibilities for addressing complaints will have to be delegated to local authorities.

Recommendation 2.3:
The Ministry of Environment and Forests should systematically review key elements of its compliance monitoring strategy to optimize the balance between quantitative and qualitative elements, such as:
(a) *Frequency and duration of inspections;*
(b) *Scope and focus of compliance checks during site visits;*
(c) *The character of unplanned inspections; and*
(d) *The extent of site visit reporting.*

Finally, the problem of the poorly functioning judicial environmental enforcement needs to be addressed. Environmental authorities regularly see their efforts to uncover non-compliance and respond adequately to offences undermined by prosecutors' offices and, especially, courts. Most of the responses suggested by NEG are weakened or totally cancelled out. The fact that the judicial authorities' lack of environmental awareness undermines the credibility of regulation needs to be communicated to them in a way that highlights the danger of eroded public authorities' credibility.

In addition, NEG may want to demonstrate that the proportionality of non-compliance response suffers, with a window of escape available to offenders committing more serious non-compliance. Furthermore, NEG may want to document and disclose budget losses associated with flawed judicial responses. A complementary measure to capacity development within the judiciary authorities may be capacity-building within NEG to collect evidence for court cases and give inspectors the right to provide expert testimony in courts.

Recommendation 2.4:
The Government should increase the capacity to address environmental cases within existing judicial authorities and by organizational adjustments, such as the creation of dedicated environmental courts or environmental divisions within existing courts.

Chapter 3 Monitoring, information, public participation and education

The Law on Environmental Protection stipulates that all operators must have self-monitoring and monitor their emissions into air. Currently, the information and data reported in corporate environmental reports are generally incomplete and largely irrelevant for users. Furthermore, the level of environmental reporting by Romanian listed companies is very low. In fact, some enterprises do not submit information to LEPAs, although the raw data is available.

Recommendation 3.1:
The Ministry of Environment and Forests should:

- *(a) Strengthen compliance of enterprises, in particular of listed companies, with their environmental self-monitoring and reporting obligations; and*
- *(b) Link self-monitoring data submitted to it by enterprises with data collected by national monitoring programmes.*

Together, MoEF and MoERYS have been instrumental in promoting ESD through a number of partnerships by supporting environmental education projects which enhance public awareness, knowledge and skills and help people make informed decisions which affect environmental quality.

In 2007, Romania prepared a Strategy on ESD, which followed the recommendations of the ECE Strategy and detailed the objectives and specific actions to be undertaken in this area. However, it has not adopted a national strategy and implementation plan for ESD.

Recommendation 3.2:
The Government should:

- *(a) Adopt a national strategy on education for sustainable development and its national implementation plan, as recommended by the ECE Strategy for Education for Sustainable Development; and*
- *(b) Ensure that adequate funding is made available for its implementation.*

Since the first EPR, Romania has made significant improvements – in putting in place the legal frameworks and setting up the institution, national programmes and action plans, criteria and methods – required for environmental monitoring. Over the past 10 years, through a number of foreign technical assistance arrangements as well as loans, Romania has been able to acquire advanced monitoring equipment and modernize its laboratories, stations and posts.

Romania has also made progress in making environmental information available to the public through a number of channels including websites, press briefings and press releases. Further, progress has been made in respect of public participation in environmental decision-making; the public has the opportunity to engage in public consultations, hearings and debates on environmental matters ranging from environmental review procedure to environmental development plans, programmes and implementation. Moreover, the country has moved ahead in putting in place a number of laws on access to justice on environmental matters. Citizens have an opportunity to protect their rights and their environment through the courts.

There is a lot of goodwill on the part of MoEF as well as the NGO community to work on a number of environmental issues. However, the level of partnership between the two is not proactive. Invitations to attend each other's meetings are not sufficient to deal with the broad variety of environmental issues. The goodwill has to be translated into a more substantive working relationship to tackle a number of environmental challenges.

Recommendation 3.3:
The Ministry of Environment and Forests should:

- *(a) Create more opportunities to meet and discuss with NGOs to explore ways and means to jointly implement environmental projects; and*
- *(b) Enhance information provided to the environmental NGO community about programmes and projects financed from the Environmental Fund and how such funds can be accessed.*

Chapter 4 Implementation of international agreements and commitments

Over the past decade Romania has continued to play an active role in major international processes and to accede to MEAs at regional and global levels. Particular efforts have been made to establish the necessary legislative framework for ensuring proper implementation of MEA provisions.

Romania's accession to the EU in 2007 provided substantial support by strengthening institutional and legislative capacity and by encouraging the transposition of relevant EU legislation, thereby accelerating implementation of international provisions at the national level. In particular, the considerable volume of pre-accession European assistance available to Romania has represented a very significant financial resource for making progress in this field. Furthermore, the country has also made a major effort to enhance bilateral cooperation with all its neighbouring countries in several environmental fields, with an emphasis on transboundary water resources management and industrial accidents.

Despite the concrete achievements in the field of international environmental cooperation in recent years, Romania does not rely on strategic policy planning to identify national priorities and coordinate activities in the field of international cooperation. There is no single document setting out a general framework for international cooperation on the environment, even though some elements of such a framework may be found in different policy documents.

Recommendation 4.1:
The Government should develop a strategy for international cooperation based on national environmental priorities, clear objectives and a realistic time schedule for their achievement.

Romania is a party to a number of MEAs which entail a great deal of variety in legal obligations for the country. The shortage of staff at national and regional levels responsible for carrying out activities related to MEAs could hinder their full implementation.

Recommendation 4.2:
The Government should provide an appropriate number of qualified staff to ensure the implementation of obligations under multilateral environmental agreements by increasing absorption of relevant EU funds devoted to strengthening capacity-building and to supporting the training of professionals.

Developing and implementing activities related to international cooperation on environmental protection require the active participation of all stakeholders, in particular the business community. MoEF holds occasional meetings with relevant stakeholders to exchange views, but no structural dialogue between the Romanian private sector and environmental authorities is currently foreseen.

The involvement of the private sector could also be considered in the light of Romania's efforts to develop a green economy sector and linked to related national and international measures developed within this framework.

Recommendation 4.3:
The Ministry of Environment and Forests should:

- *(a) Develop a mechanism to promote dialogue with the private sector on national and international environmental issues; and*
- *(b) Facilitate the active participation of the private sector in international cooperation on the environment and the green economy.*

Since Law No. 652 (2002) on the Transposition of the Protocol on Long-term Financing of the Cooperative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollutants in Europe (EMEP) to the Convention on Long-range Transboundary Air Pollution in National Legislation did not identify a specific budget source to ensure financial contributions, Romania is not in compliance with the financial obligations under the EMEP Protocol to CLRTAP.

Recommendation 4.4:
The Ministry of Environment and Forests should clearly identify budget sources which will be devoted to complying with the financial obligations under the Protocol on Long-term Financing of the Cooperative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollutants in Europe (EMEP) to the Convention on Long-range Transboundary Air Pollution in order to ensure the mandatory national contribution.

Chapter 5 Economic instruments for environmental protection

Romania applies a system of taxes for emissions of air pollutants and water pollutants. Emissions above the limits established in permits are subject to fines per kg of excess emissions in addition to the standard tax rate. Not all air pollutants that are subject to emission limit values, however, are also subject to a pollution tax. This holds notably for VOCs and fine particles (PM_{10}). Revenues collected from pollution taxes are earmarked for environmental protection projects. Some of the tax rates applied appear to be rather low, also when compared with rates applied in other countries. This suggests that their main purpose is to raise revenues. There is no publicly available evaluation of these taxes as regards their impact on the behaviour of polluters.

Recommendation 5.1:
The Ministry of Environment and Forests should:

- *(a) Review air and water pollution taxes with a view to ascertaining and strengthening their environmental effectiveness; and*
- *(b) Consider applying air pollution taxes to further major pollutants and submit relevant proposals to the Government for adoption.*

There is a system of waste taxes applied to waste generation by enterprises. In some cases, these taxes are also linked to recycling targets based on EU directives or national targets. In addition, there is a landfill tax on the deposit of potentially recoverable/recyclable waste and a new tax (effective 2011) to be paid by municipal administrations that fail to meet the established annual targets for reduction of waste collected and deposited.

Efforts to systematically organize municipal waste collection and disposal have only started in earnest in recent years. Waste collection fees for private households are typically applied on a per capita basis. It appears that there are many regions where municipal waste management is only at an embryonic stage. There is no published information on the degree of cost recovery of waste charges applied and on collection rates.

Recommendation 5.2:
The Government should:

- *(a) Monitor and evaluate the impacts of the waste management taxes and other waste charges on waste generation;*
- *(b) Ensure that municipal waste collection charges are applied systematically across the country and that there are adequate incentives for waste sorting, deposit-refund schemes and waste recycling; and*
- *(c) Set waste taxes and charges for manufacturing waste.*

The water supply and sewerage sector has been undergoing a significant transformation with the establishment of regional water companies. Improvements in the water supply and sewerage infrastructure have gone hand in hand with a progressive increase in tariffs to cost recovery levels. However, the system of water abstraction charges does not appear to be generating sufficient revenue to cover adequate repair and maintenance of the corresponding infrastructure, including the need to cope with damage from weather hazards.

Recommendation 5.3:
The Government should review the system of water abstraction charges and water supply and sewage tariffs and adjust rates with the aim to ensure the implementation of the principle of full cost recovery.

Car owners are subject to a car pollution tax, which is basically a registration tax with an exhaust emission norm component. There is also an annual car ownership tax, levied by local authorities, which is based on engine capacity. Fuel excise duties have been set at or closely above EU minimum rates. There are, moreover, countrywide user charges for national roads and highways.

The car pollution tax (a one-off tax) and the annual ownership tax are not related to actual car use and are therefore unlikely to impact upon purchasing decisions concerning the fuel efficiency of cars, which are more likely influenced by the level of fuel excise duties. In turn, the overall price of petrol in combination with road user charges also plays an important role as regards the actual use of cars and the choice between public and private transport.

Recommendation 5.4:
The Government should explore the scope for strengthening the role of fuel taxes and road user charges for dealing with road transport pollution.

Legislation to liberalize the electricity and gas markets for end users entered into force in 2007. However, a large proportion of consumers (residential users and small and medium-sized enterprises) have preferred to stay in the regulated market segment, given a lack of financial incentives to switch to suppliers in the competitive market segment. Electricity prices in Romania are among the lowest in the EU, and gas prices have been the lowest for many years. There is evidence of cross-subsidization of residential users by industrial users. Low energy prices, in turn, stimulate demand not only from residential users but notably in energy-intensive industries. At the same time, they curb incentives for private investors to engage in the energy sector, which in principle has a strong need to attract private capital. In the district heating sector, the problem of subsidization of heat prices by the central and local governments has been addressed with the elimination of central Government subsidies and the need for local government to fully fund subsidies from current revenues.

Recommendation 5.5:
The Government should:

- *(a) Gradually raise gas prices to levels that correspond to effective unit supply costs;*

(b) Phase out regulated electricity and gas prices; and
(c) Retain effective support of vulnerable consumers by means of well-targeted direct income support.

The main instrument employed by the Government to promote the increased use of renewable electricity is a mandatory quota system combined with tradable GCs, similar to the system applied in other European countries. It can be considered as an alternative to feed-in tariffs, which are also being widely used for promoting renewable electricity.

Each GC represents the value of renewable electricity at a given point in time, providing producers with market signals. On the other hand, the price range established for trading certificates is relatively wide and cannot therefore really remove risks concerning the current and future price of certificates. Compared with feed-in tariffs, producers of renewable electricity face price risks on the market for electricity, in addition to price risks on the certificates market. These risks are typically reflected by higher risk premiums and the cost of capital for investment projects, which will ultimately have to be borne by the final consumer.

More generally, given these price risks that investors are facing, such a quota obligation system is best suited to renewable technologies that are relatively mature and close to being competitive with fossil fuels (such as onshore wind and biomass). In contrast, feed-in tariffs are probably better for promoting less mature technologies, given that they provide more stable and low-risk price incentives.

At the same time, Romania still relies significantly on fossil fuels for producing electricity. The coal mining sector continues to be supported by considerable subsidies.

Recommendation 5.6:
The Government should:
(a) Closely monitor and regularly evaluate the effectiveness and efficiency of the quota obligation and green certificates system in achieving the renewable energy targets as well as the interactions with the EU emissions trading scheme (EU ETS);
(b) Consider phasing out support for renewable energy sources once they have become competitive with fossil fuels; and
(c) Establish a timetable for phasing out existing coal subsidies.

Chapter 6 Expenditures for environmental protection

The EF has been financing a car-scrapping programme since 2005. The programme has both an environmental and an economic justification. From an environmental perspective, it was designed to stimulate the replacement of old cars by new, more energy-efficient cars with lower CO_2 emissions per km.

However, there has also been an economic motive for the car-scrapping programme, namely, to use it as an anti-cyclical measure for supporting domestic vehicle producers, although the overall fiscal stimulus was relatively small. Given that most of the new cars purchased were imported, there were, moreover, considerable demand leakage effects.

Car-scrapping programmes have been applied in many European countries in recent years. The general lesson from such programmes is that the demand for new cars is mainly brought forward from the future to the present, as a result of which the economic effects tend to wane over the medium and longer terms. Yet such a programme can still be a helpful instrument for supporting economic activity in the short term in vehicle-producing countries. It is also known that car-

scrapping programmes create market distortions and delay necessary structural adjustments in the vehicle production sector. At the same time, the environmental impacts of vehicle-scrapping programmes are ambiguous and, in any case, difficult to gauge.

From an environmental perspective, the opportunity costs of the funds allocated to the car-scrapping programme by the EF are therefore quite high, given that they accounted for half of total expenditure in 2010/11. In general, such vehicle-scrapping programmes are likely to be less efficient than alternative instruments designed to reduce exhaust emissions from road transport, namely, fuel taxes, road user charges and other forms of vehicle taxation partly linked to pollution.

Recommendation 6.1:
The Government should evaluate the economic and environmental effects of the car-scrapping programme in order to decide whether it is really useful to continue with it.

The activities of the EF are financed out of various types of environment-related revenues that have been earmarked for environmental protection. In principle, earmarking reduces fiscal flexibility and can adversely affect the effective and efficient allocation of financial resources.
The resources available to the Fund have been increased considerably with the introduction of the car pollution tax in 2008. There appear, however, to be major bottlenecks in EFA, as reflected by the accumulation of considerable revenues in past years that are still to be used for the financing of the many priority environmental projects in the country.

Recommendation 6.2:
The Ministry of Environment and Forests should carry out periodic auditing of the activities of the Environmental Fund, its administrative procedures and technical capacities in order to ensure an effective and efficient use of its financial resources and accelerated decision-making.

Romania has faced considerable problems so far with the absorption of the sizeable EU structural funds made available for promoting the objective of convergence with the EU. There are a number of reasons for the very low effective fund absorption rate so far, which include a lack of adequate administrative capacities to deal effectively with areas such as project management, cofinancing, public procurement, audit and control.

In general, project preparation and cofinancing capacity are especially weak at the municipal/regional level, where the large bulk of infrastructure investments will take place.

Recommendation 6.3:
The Government should:

- *(a) Revise national regulations regarding EU funds in order to:*
  - *(i) Review criteria for the selection of projects to be submitted for EU environmental funding;*
  - *(ii) Simplify the process of decision-making;*
  - *(iii) Ensure a targeted division of responsibilities between project proposal assessment, implementation and supervision in order to avoid duplication and overlapping; and*
- *(b) Increase capacity, especially staff skills, for project proposal preparation at all levels.*

Chapter 7 Sustainable management of water resources and protection of the Black Sea

Water demand for the supply of the population, industry and agriculture is declining. This is due to the installation of water meters, increased water prices, use of modern technology in industry, and a decline in the water needs of agriculture. However, according to a survey by NIHWM, water

demand by households, the industrial sector, livestock and agriculture is expected to increase in the future.

Recommendation 7.1:
The Government should assess:

- *(a) Future drinking water needs in order to consider exploring additional water sources such as additional aquifers; and*
- *(b) The impact of degradation of water reservoirs on water management.*

The present level of connection to sewerage treatment plants leads to the conclusion that the targets for the implementation of the Urban Wastewater Treatment Directive will be difficult to achieve. This concerns rural areas in particular. Often, water supply and sanitation networks are not introduced simultaneously in rural areas, due to varying financing plans and priorities. Water supply is frequently given higher priority than sanitation. For wastewater discharges from industry, the current technical requirements are applied flatly to all industries. As a result, several industries (e.g. the food and the metalworking industries) are unable to comply with the limit values.

Recommendation 7.2:
The Government should:

- *(a) Consider providing additional funding for water infrastructure in rural areas;*
- *(b) Review requirements of technical normative documents on industrial wastewater discharges, in order to set wastewater discharge limits for different branches of industry;*
- *(c) Better coordinate measures of drinking water supply and sanitation; and*
- *(d) Enhance training of qualified personnel of the water management administration and the water-management staff of regional environmental protection agencies.*

The increase in the number of UWWTPs will generate an important amount of sludge. Only a small percentage of sludge is used in agriculture because the national limit values for pollutants in sludge are stricter that those in the rest of the EU. With the decrease of pollution from industrial wastewater discharges, improved sludge quality is expected. Nevertheless, limits for the use of sludge in agriculture might warrant their review.

Recommendation 7.3:
The Government should identify options for safe handling of sludge from wastewater treatment.

The selection of operators of water supply systems and wastewater systems takes place without any competition. The IDAs play a key role in terms of pricing strategy. In the short and medium terms, there is a need to train qualified staff for these associations to monitor the performance of regional operators.

Recommendation 7.4:
The Government should strengthen the institutional capacity of the Intercommunity Development Associations so that they can better exercise their function of supervising regional operators of water supply and wastewater systems.

Chapter 8 Waste management

The changes in waste management in Romania resulting from EU accession have had a positive effect on the provision of waste management services and have reduced the impact on the environment, although the coverage of rural areas remains limited. Approximation of legislation to EU standards has set stringent requirements for Government, municipalities and waste

management companies. These new standards open up a number of investment opportunities for the private sector to develop the necessary infrastructure, and the requisite financing is also coming through EU funding according to priorities formulated in SOP ENV.

Recommendation 8.1:
The Ministry of Environment and Forests and the Ministry of Administration and Interior should analyse possibilities to foster full coverage of rural areas by waste collection services and draft a relevant plan of action.

The dependence on landfilling as the main waste disposal method and the resulting low recycling levels are caused by low waste tariffs, which do not generate sufficient income for future investments. Individual contracts for waste collection limit municipalities in terms of effectively monitoring the quality of the collection services provided, requiring the service provider to introduce (more expensive) separate collection systems and develop integrated waste management schemes. Expanding collection services to rural areas is hardly possible without municipal contracts, and this is the challenge for the near future in Romania.

Recommendation 8.2:
The Ministry of Environment and Forests, in cooperation with county councils and municipalities, should support and widely introduce contracts for municipal solid waste collection services between municipalities and collection companies.

The development of new waste management infrastructure will result in increased costs, and rises in waste tariffs are unavoidable. A lack of funding in the future may lead to deterioration of waste management facilities and a decline in service availability.

Recommendation 8.3:
The Government should ensure that the competent authorities introduce waste tariffs based on the principle of full cost recovery.

The system of data collection on waste generation, collection, treatment and disposal is well developed but its potential is not fully utilized. In view of the need to develop a new waste management strategy and plans for the period after 2013, detailed and well-structured statistical information will be necessary to assess the success and impact of the current waste management strategy and develop baselines for the new one. Attention should be given to the waste stream defined by the legislation and identification of waste amounts from generation, collection, separate collection, recycling, incineration and disposal.

Recommendation 8.4:
The Ministry of Environment and Forests should ensure that detailed, verified background information is made available for the development of a new integrated waste management strategy for the period 2014–2023.

Chapter 9 Forestry, biodiversity and protected areas

Romania's accession to the EU has brought a number of changes to the management of forests, and this has had an economic impact on private forest landowners. Private forest landowners need to be better informed as to how to file a claim to the State in respect of compensation for the restrictions imposed on them.

Recommendation 9.1:
To support the protective functions of forests, the Ministry of Environment and Forests should explore the development of innovative financing mechanisms to compensate private forest landowners for the restrictions imposed on them.

Romania has established a solid network of PAs. National legislation on PAs provides a framework for the management of these sites, but there are obstacles to implementation in terms of compliance and enforcement, public awareness and communication with local communities, and availability of adequate funding for their management. Specifically, there is insufficient capacity for enforcing the laws regarding hunting and other illegal activities (such as illegal construction) within the PAs.

Recommendation 9.2:
The Government should:

(a) Evaluate the current system of compliance and enforcement related to the existing legislation on protected areas and take necessary steps to correct its shortcomings;
(b) Ensure that adequate financial resources are made available for training environmental guards and increasing their numbers to control illegal hunting in protected areas.

To further strengthen the management of PAs, improve the conservation of rich biodiversity and develop sustainable economic activities such as tourism in the national parks, there is a need to develop management plans for all PAs as a matter of urgency. Given that PAs are financed from the State budget and EU structural funds, improving absorption capacity of EU funds, which at the moment is rather low, could significantly aid the efforts of responsible authorities.

Recommendation 9.3:
The Ministry of Environment and Forests should provide:

(a) Resources and capacity-building necessary to produce protected area management plans for all protected areas for which these are required; and
(b) Necessary tools and better capacity to access the available EU funds to the management authorities of protected areas in order to set up required activities for their management and develop mechanisms to support the livelihoods of the surrounding communities.

MoEF appears to be working in isolation from other ministries and this is affecting the desired goal of mainstreaming the values of biodiversity, forests and PAs into decision-making processes at national level. Particularly in the management of SPAs and SCIs, it is important to work with the agricultural, water, industry and transportation sectors. Studies that appraise and communicate the economic contribution of biodiversity and ecosystem services to human well-being are generally lacking in the country.

Recommendation 9.4:
The Ministry of Environment and Forests should:

(a) Include intersectoral activities and consultations in the new National Biodiversity Strategy and Action Plan in order to mainstream the values of nature into national planning and financing, and avoid further biodiversity losses and the degradation of ecosystem services; and
(b) Carry out a national valuation of ecosystems and ecosystem services with the assistance of the European Union and other interested donors and institutions.

Chapter 10 Climate change

Both the NSCC and the NAPCC for the period 2005–2007 currently in use are in effect outdated and focused on mitigation efforts only. Romania has neither a climate change adaptation strategy nor a climate change action plan, and the only document on adaptation is the Guide on Adaptation to Climate Change Effects. It is important to ensure that the new, long-overdue strategy on climate change which is under preparation gives adequate weight to both mitigation and adaptation issues.

Recommendation 10.1:

The Government should:

- *(a) Finalize and adopt the new strategy on climate change;*
- *(b) Follow this up with a climate change action plan; and*
- *(c) Draft and adopt a strategy on adaptation to climate change and its action plan.*

Romania's emissions trading was halted when the Compliance Committee of the Kyoto Protocol suspended the country's right to trade its AAUs in August 2011. The reasons for the suspension were the deficiencies in the NGHGI and the failure to comply with the requirements of the inventory methodology. At the end of 2011, the authorities took some measures to fulfil compliance requirements.

Recommendation 10.2:
The Government should clear out the irregularities and deficiencies of the National Greenhouse Gas Inventory System to be able to return to the European Union emissions trading scheme.

NCCC is an interministerial consultative body that supports the integration of climate change policy within sectoral policies and provides advisory services related to the approval of the National Communications on climate change under the UNFCCC, and GHG inventories. It also acts as the main advisory body to MoEF in the JI approval process. NCCC's consultative and advisory role is central in facilitating interministerial and inter-agency work and dialogue on climate change issues. NCCC, which usually meets three times a year, met even less frequently in 2011. This reflects underutilization of NCCC's role as a Government-wide climate change cooperation body.

The WGA was established in 2007 to develop, monitor and coordinate the implementation of climate change adaptation actions mentioned in the NAPCC for the period 2005–2007. Currently, the WGA has 27 members from all ministries, research institutes and NGOs. It took part in the preparation of the Guide on Adaptation to Climate Change Effects and has also been active in preparing the adaptation component for the forthcoming new strategy on climate change. At present, there are no other working groups on other climate change issues such as energy efficiency, transport or waste emissions. Combating climate change requires information-sharing and cooperation within Government and between Government and other relevant stakeholders, such as research institutions and civil society.

Recommendation 10.3:
To improve and reinforce cooperation, the Government should:

- *(a) Strengthen the role of the National Commission on Climate Change in interministerial cooperation by increasing the frequency and regularity of the gatherings of the Commission;*
- *(b) Strengthen the capability of the secretariat serving the National Commission on Climate Change; and*

(c) Use the Working Group on Adaptation as a model for establishing climate-change-related working groups in other relevant areas such as energy efficiency, transport and waste emissions.

In some economic sectors, GHG emissions have increased even though total GHG emissions have decreased. The increase in the number of motor vehicles and the growth of road transportation caused overall GHG emissions of the transport subsector to almost triple from the base year 1989 to 2009. A similar development took place in the waste sector where, during the same period, GHG emissions increased by 54.6 per cent due to the population's rising consumption.

In 2009, the agricultural sector produced 19.6 per cent of total GHG emissions. Agriculture-related GHG emissions were 49.3 per cent lower than in 1989. Of the sector's CO_2 equivalent GHG total emissions in 2007, some 40 per cent was CH_4, which had decreased by almost half (46.9 per cent) compared with the base year. Most of this was due to the declining number of domestic livestock.

Recommendation 10.4:

The Ministry of Environment and Forests should develop appropriate projects and programmes to:

(a) Counter the rising GHG emissions trends in the transport and waste sectors; and

(b) Anticipate and respond to the potential future increases in particular sectoral GHG emissions, e.g. in the livestock farming sector.

Implementation of the recommendations in the 1st review

PART I: ENVIRONMENTAL POLICY AND MANAGEMENT

Chapter 1: Legal and policy framework, institutional arrangements and environmental regulations

Recommendation 1.1(a):
The implementation of the National Environmental Action Plan, the Environmental Strategy and other sectoral environmental strategies and plans needs to be backed up by concrete programmes (including legislative, technical and organizational measures) with defined financing and clear institutional arrangements.

Recommendation partially implemented. Current policy documents do not represent the continuation of the former strategies and plans but, rather, were developed according to the new rules and requirements. The key policy document currently in force is the NDP for the period 2007–2013, which provided the foundation for the NSRF for the period 2007–2013. Sectoral strategies were developed and adopted mainly in 2007. NSDS-2 was approved by the Government in 2008.

The second part of the recommendation referring to the requirements for concrete programmes is still valid and provides important guidance for the future.

Recommendation 1.1(b):
The Ministry of Development and Planning should carry out the function of systematically following up on progress in implementing the plans related to MWEP in the "Government Action Plan 2000-2004". The function should form the practical framework for mobilizing the other Ministries and Directorates involved, ensure that action is taken, by the responsible agent, at the planned time, with the foreseen result, identify and assist in solving problems especially as regards a lack of inter-sector coordination. De facto progress should be reported periodically, to all stakeholders, highlighting problems, delays, and need for official and political action or decisions.

Recommendation is no longer valid. The Ministry of Development and Planning no longer exists. A new Government Programme for the period 2009–2012 was prepared and adopted. The part of the recommendation that is still relevant, i.e. progress monitoring, should be applied in coming years.

Recommendation 1.2:
To improve its current structure, the Ministry of Waters and Environmental Protection should:

- *Create a specific unit for air protection to promote policies and strategies, including programmes for implementation, on air protection.*
- *Designate ICIM as the executive agency for the environment, taking into account that Romania is now a member of the European Environment Agency.*

Recommendation was partially implemented. The responsibilities of MoEF have been extended since the first EPR and now cover forestry. Consequently, the internal structure of the Ministry has also been changed.

Currently, NEPA is the agency providing professional support to the work of MoEF in strategic environmental planning, developing normative documents and environmental monitoring. NEPA is responsible for preparation of regular National Environmental Reports of Romania. In cooperation with the national focal point in MoEF, NEPA prepares information and reports for the EEA. As a member of the Management Board, NEPA participates in EEA meetings.

Recommendation 1.3:
The Inter-ministerial Committee for Implementation of the NEAP and the National Commission on Sustainable Development should strengthen their collaboration; the NEAP should be used as a guiding plan for determining the responsibilities and the role of all institutions concerned and defining the deadlines for the measures to be taken.

Recommendation implemented. The National Committee on Sustainable Development has resumed its operations after a three-year period of inaction, and met in October and November 2011 with the intention of strengthening the cooperation of the ministries and institutions concerned with implementation of NSDS-2.

Recommendation 1.4:
A clarification of the public and private environmental monitoring network is essential. The connection between the central administration and the research institutes, currently under a self-financing status, should also be formalized with regard to public data production. The participation of the Ministry of Health and the Family should be reinforced, probably through a legal obligation to cooperate with the Ministry of Waters and Environmental Protection for the tasks prior to data production. (See also Recommendations 6.3, 7.5, 9.2, 14.2).

Status of implementation of this recommendation is unknown.

Recommendation 1.5:
The Ministry of Waters and Environmental Protection should review carefully the environmental impact assessment process as far as the implementation of the procedures is concerned, in order to determine effectiveness and to identify areas where improvement is needed.

Recommendation implemented, although improvements are still needed. Romania has fully transposed the EU's EIA Directive. National legislation has additional categories in comparison with annex I of the Directive and has the same scope in comparison with annex II. A case-by-case assessment is made for each project to determine whether it needs EIA. Guidance documents are available on the EIA procedure. Implementation is checked by NEG. Authorities judge their capacity insufficient for effective EIA implementation.

Recommendation 1.6:
The Ministry of Waters and Environmental Protection should include in the environmental audit the compliance programmes of the enterprises, approved by them as part of their overall investment programmes to make the operation of the industrial facilities comply with environmental legislation and standards. Special attention should be given to the preparation and implementation of self-monitoring plans as a basis for effective monitoring and control.

The audit procedure may be both voluntary and mandatory in Romania, but MoEF does not have direct responsibility in any of these cases (similarly to other countries). Compliance programmes are part of environmental permits; in particular, they are mandatory for integrated environmental permits. Self-monitoring and self-reporting requirements are among the core permit conditions.

Chapter 2: Spatial planning

Recommendation 2.1:
The Romanian Government should draw up a legislative framework for spatial planning that integrates and reconciles all fragmented planning legislation.

Status of implementation of this recommendation is unknown.

Recommendation 2.2:
The Ministry of Public Works, Transport and Housing, in cooperation with relevant ministries and regional and local authorities, should make a greater effort to implement the Spatial Plan for Territorial Management (PATN). The development of a structured plan, allocating responsibilities to all authorities, should form the basis of the implementation of the PATN. Furthermore, this implementation plan should contain realistic and achievable goals, taking the current financial and technical constraints into consideration.
Status of implementation of this recommendation is unknown.

Recommendation 2.3:
To minimize the constraints on the renewal of spatial and environmental legislation and the workings of the land market, the Ministry of Agriculture, Food and Forests should give a higher priority to the registration of ownership, situation, use and valuation of land by improving the technical, financial and managerial capacity of the cadastre.

In accordance with GEO No. 70 (2001) amending and supplementing Law No. 7 (1996) on the Cadastre and Real Estate Advertising, activity regarding the agricultural cadastre and land planning was transferred from the Ministry of Agriculture, Food and Forests to the responsibility of MoAI, starting in 2002. In 2004, according to GD 1210 (2004) regarding the organization and functioning of the Cadastre and Land Registration, the National Agency for Cadastre and Land (ANCPI) was founded as a public institution subordinated to MoAI. According to Law No. 7 (1996) on the Cadastre and Real Estate Advertising (republished), ANCPI is the only authority in the area that coordinates and controls the execution of the land cadastre and ensures the registration of the real estate properties in the register of advertising throughout the country. According to GEO No. 81 (2011), ANCPI is subordinated to MoRDT.

Recommendation 2.4:
Under the direction of the Ministry of Development and Planning, inter-ministerial cooperation and coordination between spatial planning and environmental protection should be improved in the administration of the design and protection of physical features (public infrastructures, land use including protected areas) and human habitat.

Recommendation is no longer valid. The Ministry of Development and Planning no longer exists.

Recommendation 2.5:
Decisions about programmes and projects should be taken jointly by the national, regional and local levels through a consultative process. All three administrative levels should participate in regional development initiatives; the central level should stimulate, coordinate and facilitate initiatives; the regional level should operationalize, implement and control plans and programmes; and the local level, implement and execute the individual projects.

The context of regional development has changed since the first EPR due to the country's accession to the EU. Within the NSRF, the Regional OP was prepared and the implementation of different projects was cofinanced by the ERDF. Its priorities include:

- Supporting sustainable urban development/integrated urban development plans;
- Rehabilitating unused polluted industrial sites and preparing them for new activities;
- Developing and modernizing specific infrastructure for sustainable use of natural resources with tourism potential.

Chapter 3: Economic instruments and privatization – their impact on environmental protection

Recommendation 3.1:
When defining 'an environmental economic instrument' the Ministry of Waters and Environmental Protection should put far more focus on how to apply the instrument and how to implement the measures: at which level, with which tools, the efficiency of collection and enforcement procedures, various alternatives, etc. The analysis should be used to design feedback mechanisms so that the instrument will achieve the intended reaction by the target groups, without endangering or being counterproductive to other aspects of economic recovery.

Recommendation implemented. A range of economic instruments (air and water pollution taxes, taxes on waste generation, fees for waste collection and disposal, etc.) is employed, in combination with environmental performance standards, to ensure adequate environmental protection. There must be regular and systematic evaluation of the efficiency and effectiveness of these economic instruments.

Recommendation 3.2:
The Ministry of Public Finance and the Ministry of Waters and Environmental Protection should analyse the existing environment-related instruments and – where relevant – adjust them to market conditions and to true cost to ensure sustainable resource use. Rather than basing charges on the lowest income level, the charges should (gradually) rise to levels of consumer affordability, with subsidies for lower income groups if required. The 'polluter-pays principle' should be adjusted to include all costs of remedying both permitted and illegal pollution, including the clean-up of specific damage.

Recommendation implemented. Considerable progress has been made in ensuring that tariffs for water supply and sewerage are cost reflective. Electricity and gas are still supplied at regulated prices for households and enterprises. The notable feature is cross-subsidization of household consumers by industrial consumers. Progress has been made to establish more cost-reflective tariffs for district heating, with the abolition of central Government subsidies and stringent rules for local government financing of heating subsidy schemes.

Recommendation 3.3:
It is necessary that industry becomes an integrated part of environmental protection and management in Romania, fully bearing its responsibility. In particular:
(a) Enterprises should be required to insure themselves against environmental damage and accidents;
(b) The charge structures should be deterrent, forcing and inviting industry to consider environmental and clean technologies, including waste recycling and reuse, as new industrial possibilities.

See Recommendation 3.1.

Recommendation 3.4:
The Government should immediately take the necessary steps to fully establish and implement the environmental fund. Its statutes, management and operational procedures, and organizational and logistical set-up should be set out. The fund should aim at generating and managing funds, from national, international and bilateral sources, and not be simply a disbursing mechanism The structure, objectives and operations of the fund should comply with the 'St. Petersburg Guidelines' on Environmental Funds in the transition to a market economy, prepared by the Organisation for Economic Co-operation and Development (OECD).

Recommendation implemented. The EF became fully operational in 2004. EF expenditure on environmental projects is financed from a number of earmarked domestic revenue sources. A fixed quota of total annual revenues is allocated to financing the activities of EFA, which manages the EF.

Recommendation 3.5:
The Government should disseminate and make appropriate use of the USAID and IRIS 'Red Tape Analysis' and the 'Administrative barriers to investment' as identified by the Foreign Advisory Service and the World Bank, in particular in order to improve the country's environmental performance.

Recommendation partially implemented. There has been progress in cutting back excessive bureaucratic procedures, but there appears still to be considerable "red tape". There is an urgent need to address administrative issues related to the effective and efficient use of foreign assistance. A major priority is to accelerate the absorption of EU structural funds.

Recommendation 3.6:
It is recommended that the Government should analyse the possibility of increasing to 20 per cent the maximum ceiling of revenue from the privatization of assets devoted to environmental damage analysis in order to ensure that damage originating from the company's previous operations is fully identified and documented. Alternatively, this percentage should not be decreased until the State Ownership Fund (SOF) has created a working 'fund' sufficiently large to enable it to meet its legal environmental obligations.

Recommendation largely implemented. Romania accomplished the privatization of most industrial SOEs by 2007. All enterprises slated for privatization were subject to an environmental assessment, based on which the companies had to draw up a compliance plan to manage potential environmental liabilities and mitigate health risks. Specific remediation measures and targets were included in the privatization contract and investors were held responsible for implementing the clean-up. There is no information on the extent to which the financing of the environmental damage analysis was constrained by the ceiling mentioned in recommendation 3.6.

Recommendation 3.7:
Buyers of State-owned companies should be required to arrange for a bank guarantee for their environmental obligations (e.g. 20-30 per cent of the cost) to be deposited with the Ministry of Finance. The guarantee will be released when the Environmental Protection Inspectorate (EPI) confirms that the company has complied with its environmental commitments as per sales or purchase contract.

The recommendation was not implemented.

Chapter 4: Environmental information and public participation in decision-making

Recommendation 4.1:
The Ministry of Waters and Environmental Protection should, in cooperation with other relevant Ministries and NGOs, (a) systematically assess the legal requirements which will apply from 30 October 2001 following the entry into force of the Aarhus Convention and (b) develop and implement a strategy introducing the necessary measures to ensure full compliance with the Convention as soon as possible.

Since the first EPR, additional secondary legislation has been developed to ensure proper implementation of the provisions of the Aarhus Convention. GEO No. 195 (2005) on Environmental Protection, as approved by Law No. 265 (2006), introduces relevant principles such as access to environmental information, public participation in environmental decision-making processes and access to justice. Based on the provisions of this Law, it is the duty of the local and central public authorities to ensure that the public is informed and participates in the decision-making process, in compliance with the Aarhus Convention.

Recommendation 4.2:
The Ministry of Waters and Environmental Protection should improve the management of the integrated environmental monitoring system, at least by consolidating the present unit in its Directorate for Ecological Control and Monitoring. This unit should be given the specific administrative, personnel and budgetary means it requires.

The context of environmental monitoring has changed since the first EPR due to Romania's accession to the EU. NEPA, along with its eight REPAs and 34 LEPAs, is responsible for environmental monitoring and reporting to the EEA on the following areas: air quality, climate change, PAs, soil contamination and water (data are available on both the Romanian and EEA websites).

Recommendation 4.3:
The Ministry of Waters and Environmental Protection should provide proper conditions for the Information and Documentation Centre (IDC) and its personnel, and together with its associated institutes define a clear strategy for the production and dissemination of environmental information.
The IDC could be integrated into the Ministry or into the ICIM, with budgetary support for its public information activities.

The context of environmental information has changed since the first EPR. Environmental data (e.g. annual reports for 2006–2010) are available on both the Romanian and EEA websites. Sections for monthly reports have also been designed; however, there is no information available as yet.

NIS regularly publishes environmental statistics focusing on water quality and use, PAs and environmental protection investment expenditures in Romania. The Romanian Sustainable Development Indicators database is available online on the NIS website: it includes 103 indicators and will be updated as new indicators are developed/made available.

Recommendation 4.4:
The central environmental administration should demonstrate openness and transparency in its relation with civil society in general and environmental NGOs in particular. The relevant units of the MWEP should keep the environmental NGO community informed on all relevant national and international programmes.

Recommendation partially implemented. NGOs are involved in the procedures governing the formulation of opinions necessary in the environmental decision-making process, and have signed partnership agreements with local environmental authorities to promote implementation of measures for sustainable development.

Nonetheless, cooperation between environmental authorities and NGOs remains limited in scope. In light of the existence of several active NGOs in the country, and given that NGOs are pillars for the implementation of a range of sustainable development goals, cooperation between authorities and the NGO community needs to be strengthened and take place on a regular basis in order to utilize the knowledge and expertise of the NGO community.

Recommendation 4.5:
The Ministry of Waters and Environmental Protection should reinforce public participation in EIA procedures. In particular, the development of specific ways to organise public participation (hearings, additional public platforms) should be given particular attention (possibly through regulatory obligations).

NGOs and individual members of the public are part of the regulatory EIA and SEA procedures and part of the procedures by which environmental permits are issued. Apart from giving written comments and opinions, they are also involved in the compulsory public hearings (EIA, SEA and environmental authorization) which are developed within these procedures.

Recommendation 4.6:
The MWEP should encourage the environmental NGOs to form a national forum to participate in the current reform of legislation for EU approximation.

Recommendation no longer valid.

Recommendation 4.7:
The Ministry of Education and Research should ensure that:
(a) The national education programme would contain a clear definition of environmental education requirements. Cooperation with the Ministry of Waters and Environmental Protection (MWEP) on this topic is recommended. An agreement between the Ministry of Education and the Ministry of Waters and Environmental Protection on environmental education, followed by joint action and evaluation, would be needed.
(b) The training of trainers in environmental matters is strengthened.

As part of the EU integration effort, Romania approved the ECE Strategy for Education for Sustainable Development (which has been translated into Romanian) and actively joined the United Nations Decade of Education for Sustainable Development. MoERYS serves as a focal point for the implementation of the Strategy. A working group has been set up in order to elaborate National Implementation Reports (one was submitted at the end of 2010). However, Romania has not yet adopted a national strategy on sustainable development or national implementation plan on ESD, as recommended by the ECE Strategy.

Chapter 5: International cooperation

Recommendation 5.1:
Romania should accede to the ECE Convention on the Transboundary Effects of Industrial Accidents. Romania should strengthen its capacity for early warning and emergency planning, prevention and response in cooperation with international organizations, including the European Commission, the ECE secretariat, the United Nations Development Programme, the United

Nations Environment Programme's Regional Office for Europe and its Division of Technology, Industry and Economics, and the International Commission for the Protection of the Danube River.

Recommendation implemented. Romania acceded to the ECE Convention on the Transboundary Effects of Industrial Accidents ratifying Law No. 92 (2003). The Romanian Government has enhanced and strengthened its capacity for early warning and emergency planning, prevention and response, also through the transposition and implementation of Seveso II Directive provisions. At regional level, Romania's participation in the Accident Emergency Warning System established under the Convention on Co-operation for the Protection and Sustainable Use of the Danube River further increased its capacity to prevent and respond to accidents.

Recommendation 5.2:
Romania should ratify and implement the three Protocols to the ECE Convention on Long-range Transboundary Air Pollution that it has signed and ratify the EMEP Protocol.

Recommendation implemented. In 2003 Romania ratified and fully implemented the three protocols to CLRTAP through Law No. 271 (2003). Romania ratified the EMEP Protocol in 2003, but there is a clear gap between its ratification and its proper implementation due to the absence of a clear indication in the ratification law of the specific sources of funding in the State budget to comply with the financial contributions.

Recommendation 5.3:
The Ministry of Waters and Environmental Protection should cooperate in establishing international river basin management plans for transboundary rivers following the provisions of the EU Water Framework Directive. These plans for "sub-basins" should be complementary to the future international river basin management plan for the Danube (see Recommendation 7.3).

Recommendation implemented. At the Ministerial Meeting of Parties to the Danube River Protection Convention, hosted in Vienna by the ICPDR on 16 February 2010, Romania, along with the other Danube River basin countries, endorsed the Danube Declaration and adopted the Danube River Basin Management Plan, which addresses key requirements of the EU WFD. Flood action plans for the 17 sub-basins in the Danube catchment area were also adopted at the Ministerial Meeting.

Recommendation 5.4:
The Ministry of Waters and Environmental Protection in cooperation with the Ministry of Foreign Affairs should promote the active implementation of the partnership among all riparian States that are Parties to the Convention on Cooperation for the Protection and Sustainable Use of the Danube River through the Joint Action Programme for the Danube River Basin, January 2001-December 2005.

Recommendation implemented. The Joint Action Program Final Implementation Report (2007) highlighted that there has been important progress in establishing the necessary mechanisms for coordination and cooperation under the framework of the Danube River Protection Convention. The EU water-related directives (i.e. the EU WFD and directives related to floods, nitrates and drinking water) have added strength to efforts to coordinate actions in support of integrated river basin management and pollution control and reduction in Romania. The Integrated Tisza River Basin Management Plan (ITRBM Plan) was developed (through a UNDP/GEF medium-sized project) and finalized in 2009, and it includes the measures indicated by the Joint Action Programme.

Recommendation 5.5:
The Ministry of Waters and Environmental Protection together with the Ministry of Industry and Mineral Resources should make all efforts to duly implement the recommendations contained in the report of the International Task Force for Assessing the Baia Mare Accident. The Ministries should also find ways to make industry assume their respective responsibilities.

Recommendation implemented. Most of the recommendations of the Baia Mare Task Force have been implemented through the implementation of the related ECE conventions as well as the EU legislation concerned. In particular, within the framework of the Convention on the Transboundary Effects of Industrial Accidents, Romania developed two projects with its neighbouring countries in order to put its national regulations on industrial safety into practice. Moreover, in 2003, Romania signed the Protocol on Civil Liability and Compensation for Damage caused by the Transboundary Effects of Industrial Accidents on Transboundary Waters.

Recommendation 5.6:
The Ministry of Waters and Environmental Protection should develop a strategy for strengthening the capacity to draft, negotiate and implement co-financing agreements for environmental projects. A strategy for coordinating the approach to donors and for information exchange should also be developed.

The recommendation is still valid.

PART II: MANAGEMENT OF POLLUTION AND OF NATURAL RESOURCES

Chapter 6: Air pollution

Recommendation 6.1:
The Government should ensure that sufficient staffing to deal with air management issues is secured within the Ministry of Waters and Environmental Protection (MWEP) and ICIM, and that the creation of an air protection unit in the MWEP is considered. (See also Recommendation 1.2)

See implementation of recommendation 1.2.

Recommendation 6.2:
The Ministry of Waters and Environmental Protection should immediately draw up the necessary implementing regulations for the Urgent Ordinance on the Protection of Atmospheric Air (No. 243/2000), and submit them for adoption and step-by-step implementation in accordance with the Sectoral Approximation Strategies on Air and Climate Change and Industrial Pollution Control.

Status of implementation of this recommendation is unknown.

Recommendation 6.3:
The Ministry of Waters and Environmental Protection and the Ministry of Health and the Family should jointly work at establishing a unified air quality monitoring network, providing comparable and complementary data, in compliance with EU requirements. Automatic continuous measuring devices should be combined with supplementary methods whenever possible. Sufficient financial resources for maintenance, service and continuous use should be secured before new devices are purchased. (See also Recommendations 1.4, 14.4)

Status of implementation of this recommendation is unknown.

Recommendation 6.4:
The Ministry of Waters and Environmental Protection should ensure that the presently insufficient emission measurement capacities (both staff and equipment) in the local Environmental Protection Inspectorates as well as in industry are improved. The obligation on industry to monitor its own emissions should be more strictly enforced. The air monitoring stations of the national network should be better equipped in order to fulfil the monitoring plan and its targets. (See also Recommendation 1.6.)

Status of implementation of this recommendation is unknown.

Recommendation 6.5:
In the light of the increase in the car fleet and road transport over the past years and in anticipation of a further increase, the reduction of atmospheric emissions should be regarded as a high priority. Closer cooperation must be ensured between the Ministry of Waters and Environmental Protection and the environmental focal point of the Ministry of Public Works, Transport and Housing. In this respect, some of the measures to be envisaged and implemented are:

- *Improving and strengthening technical control of all road vehicles (including cars, trucks and buses);*
- *Improving the maintenance and quality of technical services for vehicles;*
- *Speeding up the drawing-up and implementation of a national programme relating to fuels.*

Status of implementation of this recommendation is unknown.

Recommendation 6.6:
The Ministry of Waters and Environmental Protection should initiate the inclusion in the environmental legal framework of the prohibition of the open burning of waste at waste disposal sites, as well as the obligation to collect and treat (flare) or utilize the landfill gas generated in situ as a result of biological degradation of organic waste. (See also Recommendation 8.2.)

Status of implementation of this recommendation is unknown.

Chapter 7: Water management

Recommendation 7.1:
The reduction of excessive drinking-water use caused by water wastage and losses should be a priority in the rationalization of water use in Romania. To solve this problem, it is necessary to:

- *Rehabilitate the water supply system and ensure continuous supply of drinking water and hot water where centralized hot water supply systems exist. This implies the rehabilitation, upgrading and automation of hot water supply systems and household installations;*
- *Install individual cold and hot water metering;*
- *Increase drinking-water and waste-water tariffs so as to cover the full cost of water supply and waste-water disposal and treatment, incorporating the cost of renovation investments;*
- *Develop economic incentives to encourage owners of buildings and flats to repair their water infrastructures. See also recommendation 14.1*

Recommendation largely implemented. Water demand by households, industry and agriculture is declining. This is as a result of the installation of water meters, increased water prices, use of

modern technology in the industry and a decline in the water needs of agriculture. Although the demand for water for the population has declined continuously in past years (figure 7.2), according to NIHWM, future water demand is expected to increase (table 7.3). An important aspect of pricing is the delineation of the population's limits of supportability. Financial contributions of environmental service users can be increased until they reach the limits of supportability.

Recommendation 7.2:
The Ministry of Waters and Environmental Protection should urgently update the implementing regulations for water legislation, and implement them effectively. Implementation should be accompanied by an action programme for hot spots, in particular industrial sites discharging hazardous substances directly into waters further used for drinking-water supply.

Recommendation implemented. The implementation of Romanian integrated water management is in compliance with the EU WFD, aiming at the achievement of good water status for all waters by 2015. The Directive was transposed in 2010 through amendment of Law No. 107 (1996) on Water.

The country has been granted a transitional period until 2018 for implementing the Urban Wastewater Treatment Directive. Shorter transition periods were reached for complying with the IPPC Directive. Council Directive 91/271/EEC concerning urban wastewater treatment, as amended by Commission Directive 98/15/EC of 27 February 1998 amending Council Directive 91/271/EEC with respect to certain requirements established in Annex I thereof, was fully transposed into Romanian legislation through GD No. 188 (2002) on the Approval of Certain Norms Concerning the Conditions for the Discharge of Wastewater into the Aquatic Environment. Law No. 458 (2002) on Drinking Water contains detailed provisions on the conditions of water quality, water quality monitoring, restrictions on water use and water treatment quality assurance processes. Council Directive 75/440/EEC of 16 June 1975 concerning the quality required of surface water intended for the abstraction of drinking water in the member States, and Council Directive 79/869/EEC of 9 October 1979 concerning the methods of measurement and frequencies of sampling and analysis of surface water intended for the abstraction of drinking water in the member States, have been transposed into Romanian legislation by GD No. 100 (2002), HG No. 662 (2005), HG No. 567 (2006) and HG No. 217 (2007).

Recommendation 7.3:
River basin authorities should be brought into line with the EU concept as self-sufficient and self-managed institutions entrusted with managing the water and protecting the surface and groundwater in their respective basin areas. Apele Romane Headquarters should be seen as a water agency entrusted with administrative power by the MWEP to supervise the functioning of water management systems and the river basin authorities.

Recommendation implemented. The National Water Administration (Apele Romane) is organized according to Law No.107 (1996) on Water, as amended and supplemented in February 2010. The 11 WBAs operating in the river basins have special responsibilities. They prepare plans on river basin management, issuing approvals for all projects which have a qualitative or quantitative effect on water. They supervise whether such agreements and licence and permit provisions are respected, by collecting water and wastewater charges and analysing them in their own laboratories. The WBAs prepare the technical reports to REPAs with a view to the delivery of licences and permits, and approve the authorization of water works and water management activities.

Recommendation 7.4:
On the initiative of the Ministry of Waters and Environmental Protection, Apele Romane and municipalities should reconsider drinking-water and waste-water charges and pricing, increasing

them and differentiating them according to the type of use and taking social aspects into account. This income should be used together with other sources of funds for financing the development of national and local water systems and new investments in water infrastructures. New investments, especially in municipal water supply and waste-water treatment plants, should take into account the likely drop in water consumption which should be brought about by an improvement of the water supply network, water metering and pricing system.

Recommendation implemented. Law No. 107 (1996) on Water regulates the economic mechanism by which NARW is financed. Economic mechanisms specific to the quantitative and qualitative management of water resources include system contributions, payments, bonuses, fees and penalties as part of the financing of the development and operational fields of NARW. Payments depend on GD No. 1202 (2010) to update the amount of the specific contributions for water resources management. Payment rates for water and sewerage services are calculated based on production and operating costs, maintenance costs and the related capital amortization, and include interest rates, loan repayments and operator profit. These rates constitute the final price paid by the consumer. As part of this rate, the financial cost of resource management is around €0.010/m³ and the financial cost of the activity receiving wastewater resources is around €0.033/m³. A rate of around €0.043/m³ must be paid to NARW.

Recommendation 7.5:
The self-monitoring of waste-water discharges and pollution loads should be regulated by law and carried out by accredited laboratories. The monitoring of emissions and immissions performed by the local Environmental Protection Inspectorates (EPIs) and Apele Romane should be harmonized. The quality of measurements by Apele Romane and EPIs should be improved by strengthening the laboratory accreditation process.

Recommendation implemented. Directive 76/464/EEC of 4 May 1976 on pollution caused by certain dangerous substances discharged into the aquatic environment of the Community has been transposed into Romanian law by MO No. 44 (2004) and GD No. 351 (2005). GD No. 1038 (2010) amends GD No. 351 (2005) approving the programme to phase out discharges, emissions and losses of hazardous substances. For wastewater discharges from municipalities of more than 2,000 p.e., and for industrial wastewater discharges from industrial sectors into natural receivers, permits/licences should contain conditions in compliance with the requirements of annex 1 and annex 3 of GD No. 352 (2005), namely Technical Normative NTPA-011 and NTPA-001/2002.

All methods of analysis for priority substances are validated in accordance with SR EN ISO / IEC 17025 or other equivalent standards accepted internationally. Laboratories performing the analysis of substances apply quality management practices and have to give proof of their professionalism at least annually. The 11 WBA laboratories are equipped with chemical and biological tests and with the necessary personnel. They regularly run quality management tests. Special tests will be done in the central laboratory in Bucharest.

NARW officials have periodically monitored the implementation of the measures from the compliance programme, which is annexed to the water permit.

Chapter 8: Waste management

Recommendation 8.1:
The modernization of industry, the introduction of cleaner production technologies during the privatization process and the implementation of the principles of industrial sustainable development should be promoted by the Government and industry over a long-term period. This involves:

- *Further developing the appropriate legal and regulatory bases to encourage industry to use cleaner production;*
- *Introducing economic incentives and instruments for this purpose, including financial resources;*
- *Further developing the institutional framework, in particular cleaner production centres;*
- *Creating favourable conditions for transferring cleaner production technologies from other countries when there is no domestic alternative.*

Recommendation partially implemented. Cleaner production technologies were/are implemented through the process of privatization and modernization of the national economy, and are necessitated by stricter environmental legislation.

Recommendation 8.2:
Under the guidance of the MWEP, the local governments together with the local EPIs should:

- *Develop and set up an infrastructure for improving the overall municipal waste management system, including the collection, separation, recycling and environmentally sound disposal of municipal waste; provide special means for the separate collection of municipal waste (bags, containers) to the public; build facilities for the reprocessing of separated waste;*
- *Assess through environmental impact assessment the state of existing landfills and evaluate a clear phase-out strategy for old landfills, including the use of economic instruments to support it;*
- *Assess the environmental impact of building new landfills and maintain them according to the requirements of environmental safety and standards, including monitoring;*
- *Raise public awareness and use educational and training programmes through all the mass media to encourage municipal waste reduction.*

Recommendation partially implemented. Specifically:

- Infrastructure development is under implementation. The process of modernization of MSW infrastructure started with the support of Government and EU funding and is on track. Due to the need for heavy investment, the process is taking considerable time;
- Phase-out is near completion. Old sites are closing and are being replaced by modern, EU-compliant landfills. The process of closing old sites should be completed in 2012;
- Action on landfills is near completion. Development of a new network of landfills is ongoing. A decision to develop 17 landfill sites was only made in 2011, with finances allocated under SOP ENV;
- Waste reduction strategies are under implementation. Public awareness and training programmes are implemented but changing the behaviour of the population is a long-term process.

Recommendation 8.3:
The Ministry of Industry and Resources in cooperation with the Ministry of Waters and Environmental Protection and industrial enterprises should improve and develop overall industrial waste management systems at local, regional and national levels which should include the following:

- *An increase in industrial waste recycling, recovery and reuse by introducing new processes and new technologies into industrial facilities;*

- *Improvement in the treatment and environmentally sound disposal of those industrial wastes that cannot be recycled or reused;*
- *The modernization of thermal power plants with the introduction of processes for the reuse of ash and slag;*
- *The creation of mutual interests between companies involved in the recycling and reuse of industrial waste, including economic and financial incentives.*

Recommendation partially implemented. Specifically:

- Industrial waste recycling, recovery and reuse not implemented. There is no significant increase of recycled waste amounts;
- Waste treatment and disposal partially implemented. Incineration and co-incineration of industrial waste was introduced. There is progress in improving landfilling standards, although a number of old disposal sites are still in operation;
- Modernization of thermal power plants and reuse of ash and slag partially implemented. Some fly ash is used in cement production, but the main method is still disposal. No economically viable solution is available;
- Creation of mutual interests not implemented. Recycling and reuse of industrial waste have developed according to market principles, so no Government incentives were introduced.

Recommendation 8.4:
The National Commission for the Control of Nuclear Activities in cooperation with other parties should take urgent action to achieve the overall technical modernization of the radioactive waste treatment plant and the national repository to improve their operational performance and meet IAEA and EU standards and norms.

Recommendation partially implemented and under implementation. Modernization works in radioactive waste treatment plants Pitesti and Magurele are in progress. Repository in Baita-Bihor started works on safety improvements.

Recommendation 8.5:
The Ministry of Waters and Environmental Protection in cooperation with other ministries and institutions should speed up the development of waste management regulations in order to implement existing legislation that complies with EU legislation, and create economic and financial mechanisms to enforce them.

Recommendation implemented. The current waste management legislative framework is in full compliance with the EU legislation.

Recommendation 8.6:
The Ministry of Waters and Environmental Protection in cooperation with the Ministry of Industry and Resources and all institutions and private and governmental bodies dealing with waste management should seek all possible ways to attract financial and other resources at local, national and international levels for the implementation of national programmes and projects.

Recommendation partially implemented and under implementation. EU accession process enabled the use of EU pre-accession funds and, later, structural funds and the CF. These are actively used for waste management system modernization.

Recommendation 8.7:
The Ministry of Public Administration, the Ministry of Development and Planning together with the Ministry of Waters and Environmental Protection, in cooperation with the municipalities and regions, as well as their associations, should promote intermunicipal cooperation for a more cost-efficient management of municipal waste. The Ministry of Industry and Mineral Resources, together with the Ministry of Waters and Environmental Protection, should promote the involvement of business associations and industrial associations in the management of industrial waste from small and medium-sized enterprises.

Recommendation under implementation. The process of integration of waste management is supported by the Government, but low waste fees and a fractured waste market do not allow effective cooperation and integration of waste management services.

Chapter 9: Nature and biodiversity conservation

Recommendation 9.1:
The Ministry of Waters and Environmental Protection should strengthen the implementing capacities, in terms of both skills and number of staff, in biodiversity protection at every level – national, regional and local – and seek a leading role in inter-ministerial cooperation. The departments for nature conservation in the local Environmental Protection Inspectorates should be strengthened in order to fulfil the new obligations regarding monitoring and compliance under the future law on the protection of natural areas.

Recommendation implemented. The Government has established a Biodiversity Directorate within MoEF, with staff dedicated to the conservation and sustainable use of biodiversity, and with focal points working on the various biodiversity-related conventions as well as EU legislation. For the implementation of legislation and monitoring, MoEF has a specialized agency (NEPA) with local agencies at county level. For the monitoring of legislation and enforcement, MoEF has a specialized structure (NEG), which also has county-level agencies. Also subordinated to MoEF are the forestry and hunting inspectorates (further details on these can be obtained from the Forests Directorate).

Recommendation 9.2:
Based on the lessons learnt from the recent GEF projects, the Ministry of Waters and Environmental Protection should establish as soon as possible a national monitoring system for biodiversity as a high priority.

Recommendation implemented. An up-to-date PAs database has been established, which contains some information about species and habitats within these PAs. However, there are no existing databases regarding habitats and species within the territory of Romania.[1] There are also two major projects, financed from EU structural funds, which are conducting an assessment of flora, fauna and habitats. One is for the purpose of compliance with the Habitats Directive and the other in compliance with the Birds Directive. Both projects will be finished in 2013, having produced the relevant country reports.

[1] Maps are available from www.biodiversity.ro/n2000/;
http://mmediu.ro/protectia_naturii/protectia_naturii.htm has shapefiles and standard dataforms.

Recommendation 9.3:
The Ministry of Waters and Environmental Protection should develop a national information exchange network – like the Clearing House Mechanism in the Convention on Biological Diversity – to facilitate access to information, exchange of research information and data.

Recommendation partially implemented. Romania took some initial steps to establish a CHM. However, despite the existence of national databases for biodiversity and a CHM national focal point, there is no programme providing integrated data or an information management system for biodiversity conservation in Romania. UNEP noted that there was a need to increase cooperation among stakeholders, increase the involvement of the scientific community and establish more partnerships. As a result, UNDP is currently implementing a GEF project in Romania entitled Support to Alignment of the National Biodiversity Strategy and Action Plan (NBSAP) with the CBD and Development of a Clearing House Mechanism. It is expected that the existing CHM will be strengthened by an information system and a fully operational website of common biodiversity and CHM at the national level.

Romania also takes part in the European Biodiversity Clearing House Mechanism which is now integrated within the Biodiversity Information System for Europe (BISE) run by the EEA.

Recommendation 9.4:
The Ministry of Agriculture, Food and Forests should draw up implementation plans, including financial resources, and cooperate with the Ministry of Waters and Environmental Protection in order to achieve the objectives for the afforestation of degraded land and the creation of shelter belts in agricultural areas.

Recommendation implemented. The Government of Romania introduced two laws related to afforestation: Law No. 289 (2002) on the Creation of Protective Forest Belts and Law No. 100 (2010) on the Afforestation of Degraded Lands. According to data collected by MoEF, forest regeneration and restoration activities took place on 30,766 ha of land in 2011. A draft afforestation plan for 2012–2040 has been drawn up; during this period, it is intended to achieve regeneration works on some 30,000 hectares of forests annually and increase the forest area through afforestation of degraded lands and the establishment of protection forest belts on some 16,500 ha annually.

Recommendation 9.5:
The Ministry of Waters and Environmental Protection should start establishing the network of protected areas according to the IUCN categories on the whole territory of the country, incorporating all the different types of habitats. The protected areas should comprise at least 10per cent of the country, in accordance with the Convention on Biological Diversity, which Romania has ratified.

Recommendation implemented. According to the Government of Romania, the national PA network includes 3 biosphere reserves, 13 national parks, 14 nature parks, 5 Ramsar sites, 1 World Heritage site, 2 geoparks, and a number of nature reserves, strict reserves, nature monuments and Nature 2000 sites. It is estimated that the national network of PAs covers 19 per cent of Romanian territory, almost double the percentage suggested by the CBD. Within this PA system, Romania complies with the EU nature directives though the Natura 2000 network, which includes 273 SCIs covering 13 per cent of the national terrirory, and 108 SPAs covering 12 per cent of the territory.

Recommendation 9.6:
The Ministry of Waters and Environmental Protection should issue regulations to protect biodiversity in agro-ecosystems. The sustainable use of herbaceous species with medicinal, melliferous or fodder value must be ensured (for instance in Bucovina).

Recommendation implemented. MoARD has reported that in the National Strategic Plan of Rural Development for the period 2007–2013 (which is expected to be extended), some measures have been included on environmental quality improvement in rural areas. There is a regulation on agri-environmental measures and some incentive packages are provided to farmers (these have been approved by the European Commission as part of the EU Common Agricultural Policy):

- Package 1: for farmers using pastures with high nature value who respect some special agricultural practices;
- Package 2: for farmers using traditional agricultural practices (in combination with package 1) if they implement best practices;
- Package 3: for farmers using pastures important for birds (species important for Europe) with application of certain measures;
- Package 4: for farmers using green fertilizers (using the crop itself as fertilizer);
- Package 5: in 2011 five incentives were available for farmers practising organic farming, viz. crops on arable land, including land to produce fodder; vegetables, including mushrooms and potatoes; orchards; vineyards; medicinal and aromatic plants).

There is also support provided to farmers in the less-favoured mountainous areas as well as those in less-favoured areas other than in the mountains (the Danube delta, for example). Eligible areas are established in consultations between MoEF, MoARD and NGOs. Farmers apply in the early spring and declare all their lands and agree to respect some special conditions regarding the environmental measures.

The Biodiversity Directorate of MoEF cooperates with the General Department of Rural Development in MoARD (on management of the National Strategic Plan of Rural Development for the period 2007–2013). A special programme on melliferous plants for bees has not been established in either MoEF or MoARD.

Recommendation 9.7:
The Ministry of Waters and Environmental Protection should broaden and strengthen the cooperation with NGOs and local communities at all stages – from design to implementation – of biodiversity conservation programmes. The modalities for collaboration and coordination between MWEP and NGOs should be clearly defined (See also Recommendation 4.4).

Recommendation implemented. MoEF confirmed that the private sector and civil society play a major part in the conservation of nature in Romania. The management of PAs is ensured by the private sector, public institutions or NGOs on the basis of a contract between the Ministry and the manager of the PA (whether an NGO, private sector entity or public institution). In addition, in order to comply with the requirements of the EU nature directives, civil society, as stakeholders, must be involved in the decision-making processes related to biodiversity conservation programmes. The local authorities and the local and regional environmental protection agencies are tasked with consulting with all stakeholders, including those in the private sector. It is true, however, that in some areas, for example with the CHM, there is a need to improve the participation of some sectors as well as to create better networks of partners.

Chapter 10: Mineral resources

Recommendation 10.1:
The Ministry of Industry and Resources should accelerate the implementation of projects selected in the National Environmental Action Plan for the mining sector. Every effort should be made to obtain the necessary funds and reach targets within an established timeframe for each project. This process requires a rapid development of mechanisms to implement and operate an environmental fund. (See also Recommendation 3.4).
Status of implementation of this recommendation is unknown.

Recommendation 10.2:
The Ministry of Waters and Environmental Protection should approve new mining plants based on international mining standards and practices. The Ministry should encourage the introduction of environmental management systems in existing plants. It should also promote ISO 14000 and EMAS systems, in particular for mining activities, through the creation of national procedures and schemes. In cooperation with the Ministry of Industry and Resources, environmental management training should be regularly provided to professionals working in the mining industry, thus contributing to industry-wide best practices harmonized with EU standards.

Status of implementation of this recommendation is unknown.

Recommendation 10.3:
The introduction of cleaner technologies in mining and metallurgy, with realistic targets and timeframe for their implementation, and staff training in the new practices should be seen as a matter of priority. Cleaner production centres specializing in the mining and metallurgy sectors should also be established. See also Recommendation 8.2.

Status of implementation of this recommendation is unknown.

Recommendation 10.4:
The Ministry of Waters and Environmental Protection together with the Ministry of Industry and Resources should undertake a detailed assessment of abandoned and active mining sites and tailings in Romania. It should include a risk study for each mining and tailing pond hot spot in order to identify short- and medium-term priorities. (See also Recommendation 11.4)

Status of implementation of this recommendation is unknown.

Recommendation 10.5:
Romanian laboratories should be accredited and current analytical standards harmonized with European regulations. The Ministry of Waters and Environmental Protection should furthermore strengthen cooperation among the institutions involved in monitoring. The development of a modern information system is necessary to facilitate the exchange of environmental information that could be used for decision-making.

Status of implementation of this recommendation is unknown.

Recommendation 10.6:
An extensive follow-up study of the long-term pollution from mining and smelting activities should be developed as a joint initiative of the Ministry of Industry and Resources and the Ministry of Waters and Environmental Protection. In parallel, the APELL process (Awareness and Preparedness for Emergencies at Local Level) should be introduced and an emergency preparedness plan, based on fail-safe and contingency concepts, should be adopted.

Status of implementation of this recommendation is unknown.

PART III: SECTORAL INTEGRATION

Chapter 11: Environment and agriculture

Recommendation 11.1:
The adverse environmental effects of agricultural practices should be reduced to a two-tier approach:
(a) Larger farms and companies that invest in inputs and produce for the market should keep a record of the application of fertilizers and the use of pesticides on their land. These records can be controlled by inspectors from the local EPIs. The practice could be introduced by law following the model already applied in those areas of the Danube Delta Nature Reserve (Sireasa and Padurina) that are still farmed.
(b) The agricultural extension service (Consultanta agricola) should promote on a large scale correct organic farming practices.

Recommendation largely implemented. In order to reduce the adverse effects of agricultural practices on the environment, including on water quality, the following measures were taken:

1. Adoption of an "Action Plan for waters protection against pollution with nitrates from agriculture". The main objectives are:

- Reduction and prevention of water pollution caused by nitrates from agricultural sources;
- Streamlining and optimizing the use of chemical fertilizers and organic compounds containing nitrogen.

2. Development and implementation of a Code of Good Farm Practice with steps, methods and agricultural techniques on sustainable use of natural agricultural resources. Its objectives are:

- Improving soil quality and soil conservation;
- Natural resource management at farm level;
- Plant protection; use of phytosanitary products;
- Use of veterinary products in agribusiness holdings;
- Management of waste and residues on agribusiness farms.

3. Development and implementation of a Code of Good Agricultural Practice (2005 ed.), with practical and binding rules for farmers engaged in agricultural activities, in the areas vulnerable to the pollution of soil and water with nitrates from agricultural sources. The measures cover the following main aspects:

- Agricultural systems (sustainable, conventional or organic);
- General and specific rules on the use of organic and chemical fertilizers;
- Management of agricultural holdings;
- Land management – nitrogen dynamics;
- Planning and recording of farm fertilizers.

In addition, as an EU member State since 2007, Romania has been implementing the single area payment scheme (SAPS), pillar I of which provides for area-based payments to farmers, on the condition that the land is kept in good agricultural and environmental condition. Based on the legislative framework and taking into account national circumstances, "good agricultural and environmental conditions" (GAECs) have been established that must be met by Romanian farmers

requesting support under the scheme. Failure to comply with GAECs leads to exclusion from, or reduction of, payments to non-complying farmers. In these cases, appropriate non-statutory requirements (RMS-urilor1) apply. These requirements constitute cross-compliance rules in the schemes and support measures for farmers regarding environmental concerns and the identification and registration of farm animals.

Recommendation 11.2:
The agricultural extension service should demonstrate various technical options (with or without irrigation, seed quality, use of inputs and soil tillage), their effect on the environment (water pollution, soil conservation) and the expected yield and profitability, in order to be able to advise farmers in different regions of the country. They should train subsistence farmers who cannot afford inputs to allow them to increase the profitability of their farms and sell their products better. These farmers should be encouraged not to use costly agrochemicals.

Status of implementation of this recommendation is unknown.

Recommendation 11.3:
To ensure the protection of water bodies, large animal farms should deposit the slurry on agricultural land according to good agricultural practice. The slurry spreading and manure distribution should be monitored through contracts and records maintained with large crop farms, which are probably the most suitable to ensure the correct disposal of large quantities of manure. The disposal of animal dung in landfills should not be authorized.

See implementation of recommendation 11.1.

Recommendation 11.4:
The Ministry of Agriculture, Food and Forests together with the Ministry of Waters and Environmental Protection should list and precisely map at a national level (regional and local data are available) all agricultural soils severely contaminated by heavy metals, oil or pesticides in order to exclude agricultural products produced in those soils from any certification and export. In the long term, such products should also be excluded first from local markets and finally from consumption.

Recommendation partially implemented. MoEF realized the national monitoring system for agricultural soil/land and the implementation of the national plan for improvement of acidic and alkali soils. The national system for monitoring agricultural soil/land includes two programmes:

- The development of agrochemical studies for the period 2002–2011;
- The creation/updating of the agricultural soil monitoring system at the national and county levels for the period 2002–2011.

MoARD's 2011 MO No. 278 was approved to ensure the continuity of the activities referred to in these programmes, for the period 2012–2021.

Recommendation 11.5:
The appropriate institutions of the Ministry of Waters and Environmental Protection should assess the environmental impact of all large afforestation projects and other "rehabilitation" projects (see "Green Corridor for the Danube"), and in particular their influence on the biodiversity of the site. Moreover, their influence on the economic and social status of the local land users involved (private or local communities) should be studied and other alternatives, even for abandoned land, evaluated (on the model of the study on Peris).

Status of implementation of this recommendation is unknown.

Recommendation 11.6:
The draft law on cultivated plants and pesticides should include the obligation to obtain a treatment permit subject to a course and an exam for all companies and private individuals using large quantities of pesticides, such as large crop farms and agricultural machinery services ("Agromec"). All entities should be made liable for the pollution caused by their practices.

Status of implementation of this recommendation is unknown.

Recommendation 11.7:
The Ministry of Agriculture, Food and Forests and the Ministry of Waters and Environmental Protection should cooperate to regulate the use of grasslands (especially on the steep hills) and protect them from inappropriate cultivation and overgrazing.

Status of implementation of this recommendation is unknown.

Chapter 12: Environment and transport

Recommendation 12.1:
The Ministry of Waters and Environmental Protection together with the Ministry of Public Works, Transport and Housing should introduce a reporting system to monitor the environmental performance of the transport system, using the Transport Environment Reporting Mechanism (TERM) as a framework.
Status of implementation of this recommendation is unknown.

Recommendation 12.2:
Specific environmental targets for the transport sector should be set jointly by the Ministry of Public Works, Transport and Housing and the Ministry of Waters and Environmental Protection.
The National Road Administration should strictly follow the emission targets set for the transport sector.

Status of implementation of this recommendation is unknown.

Recommendation 12.3:
The Ministry of Industry and Mineral Resources should (1) accelerate the total phase-out of lead in petrol, in particular making the tax difference more attractive; (2) improve the quality of all fuels, in particular reducing their sulphur content; and (3) effectively enforce the implementation of Government Decision No. 1336/2000 on sulphur content in fuels.

Status of implementation of this recommendation is unknown.

Recommendation 12.4:
The Ministry of Public Works, Transport and Housing and the local authorities should promote public transport through attractive pricing, the introduction of disincentives for the use of cars and public awareness campaigns.

Status of implementation of this recommendation is unknown.

Recommendation 12.5:
The Ministry of Public Works, Transport and Housing should apply strategic environmental assessment (SEA) to the next review of the transport chapter of the National Plan for Territorial Planning.

Status of implementation of this recommendation is unknown.

Recommendation 12.6:
The Ministry of Waters and Environmental Protection and the focal point on environmental matters in the Ministry of Public Works, Transport and Housing should cooperate on a regular and practical basis on transport issues.

Status of implementation of this recommendation is unknown.

Chapter 13: Energy and environment

Recommendation 13.1:
The Government should encourage the development and introduction of more efficient clean coal technologies, flue-gas cleaning, and the use of residuals and, when environmentally acceptable and economically feasible, continue using domestic resources to avoid social conflicts.

Status of implementation of this recommendation is unknown.

Recommendation 13.2:
The Ministry of Waters and Environmental Protection should start implementing the EU Directives on the limitation of emissions of volatile organic compounds (1999/13/EC) and on the limitation of emissions from large combustion plants (88/609/EEC, 94/66/EEC and proposal 599PC064)

Status of implementation of this recommendation is unknown.

Recommendation 13.3:
To draw maximum benefit from its use, natural gas should be used in new, decentralized and highly efficient combined heat and power (CHP) plants designed according to the heat demand.
Status of implementation of this recommendation is unknown.

Recommendation 13.4:
To establish a framework for feasible energy savings, the following measures should be introduced by the Ministry of Public Administration, the Ministry of Industry and Mineral Resources and the Ministry of Public Works, Transport and Housing:
(a) Replacement of consumer subsidies in the form of reduced energy tariffs by subsidies for energy saving measures;
(b) The application of modern heating concepts with low temperatures, flow and temperature control and the control of heat distribution in buildings and to the consumers;
(c) The installation of household meters to promote energy saving and fair payment;
(d) The establishment of energy auditing procedures for industry as well as building codes and standards.

Status of implementation of this recommendation is unknown.

Recommendation 13.5:
A national strategy for the use of renewable energy sources and biofuels should be implemented under the guidance of the Ministry of Industry and Mineral Resources. Favourable conditions (e.g. priority in production, attractive tariffs, and smoother approval processes) to attract private investments should be created to facilitate the investments in renewable energy sources and biofuels.

Status of implementation of this recommendation is unknown.

Recommendation 13.6:
The Ministry of Industry and Mineral Resources should draw up an energy saving policy to stabilize total energy consumption at the current level by removing subsidies on energy and introducing energy taxes and subsidies for socio-economically feasible energy saving measures. Subsidies for social reasons should be considered separately, as they belong among the social policies for people in need (pensioners, the disabled, the unemployed, etc.).

Status of implementation of this recommendation is unknown.

Recommendation 13.7:
To speed up the establishment of a financing scheme (revolving fund) for energy saving, the Romanian Government should consider the possibility of (a) obtaining financial support from international financing institutions and other potential donors; and (b) supporting building owners, flat owners' associations, small and medium-size enterprises, etc., through banks so that they can finance the most feasible energy saving measures identified during energy audits.

Status of implementation of this recommendation is unknown.

Recommendation 13.8:
The Government should ensure that the ministries and agencies involved are given sufficient resources to develop and respectively implement the approved energy policies and strategies, especially the agencies involved in the implementation of the Energy Efficiency Law. Reporting and auditing tools should be used to monitor the agencies' performance.

Status of implementation of this recommendation is unknown.

Recommendation 13.9:
Standard energy saving measures similar to those applied in EU countries should be urgently introduced in Romania. These measures should be widely promoted through television, newspapers and other media.

Status of implementation of this recommendation is unknown.

Recommendation 13.10:
The authorities should draw up energy plans based on socio-economic criteria and should open concessions to tender for a minimum of 20 years offering a reasonable guarantee that the power and heat produced can be sold.

Status of implementation of this recommendation is unknown.

Chapter 14: Human health and the environment

Recommendation 14.1:
The comprehensive programme contained in the NEHAP to improve the availability and quality of drinking water should be implemented jointly by the Ministry of Health and the Family and the Ministry of Waters and Environmental Protection. The aim should be to protect drinking-water sources from contamination (mainly in rural areas), improve the safety and reliability of water distribution systems (mainly in cities), and increase the access of the rural population to piped water from safe sources.

Council Directive 98/83/EC on the quality of water intended for human consumption has been transposed into national law by Law No. 458 (2002) on Drinking Water. Rules of supervision, sanitary inspection and water quality monitoring distributed in centralized and individual water use facilities are provided in GD No. 974 (2004). Monitoring of the quality of public drinking water which reaches the consumer is undertaken by MoH through the CPHDs.

Recommendation 14.2:
The Ministry of Health and the Family and the Ministry of Waters and Environmental Protection should jointly improve information on the availability and quality of drinking water from the water monitoring system as well as from the registration of (possible) water-borne disease outbreaks and ensure that it is complete and accessible. This information is necessary, both at local and at national levels, to stimulate, guide and evaluate the effectiveness of investments in water processing and supply systems. See also Recommendation 1.4.

Public information regarding the quality of water distributed in a centralized system is managed according to Law No. 458 (2002) on Drinking Water, as republished, GD No. 974 (2004) and MO No. 299 (2010). County-level reports are posted on the website of the CPHDs, and a national report is posted on the NIPH website, annually.

Recommendation 14.3:
Action to reduce urban air pollution from particulate matter should focus on road transport, as well as on specific industrial pollution sources. Related information should be disclosed by the Ministries of Health and the Family, of Waters and Environmental Protection and of Public Works, Transport and Housing to the public and the need to prevent exposure explained, as it may help reduce the health impact on the most vulnerable individuals.

See implementation of recommendation 14.4.

Recommendation 14.4:
PM10 (and PM2.5) should be monitored where needed as they have potential adverse health effects.

The legal framework and exposure limits to air pollutants such as PM_{10} and $PM_{2.5}$, and other pollutants arising from various industrial sources, transportation, etc. (nitrogen oxides, sulphur oxides, benzene, lead), were regulated by MO No. 592 (2002) and then by Law No. 104 (2011) on Ambient Air Quality. Such monitoring levels of these pollutants at different points is the responsibility of MoEF and its subordinated LEPAs.

On request, through collaboration at the local level, the LEPAs transmit the monitoring results to the CPHDs. NIPH has created a database on air pollution levels in the capital cities of the counties considered to be the most polluted, which includes actual monitoring points and different health indicators which can be influenced by the concentration of particulate matter and other regulated

air pollutants. These indicators include respiratory disease, mortality, morbidity, total respiratory diseases, morbidity due to respiratory disease categories, and morbidity-malignant respiratory diseases. This database continuously monitors the health of the population, insofar as it can be influenced by ambient air quality, and can track trends in this field.

Recommendation 14.5:
The Ministry of Health and the Family should assess the population's exposure to lead in highly polluted regions in order to determine if the information provided to the public and to decision makers in the early and mid-1990s has been efficiently used. If exposure levels are still above the acceptable limits, action should be taken to further reduce population exposure. Such action should include a cut in emissions of lead to the atmosphere, changes in the behaviour of the residents of the contaminated areas, and re-cultivation of the contaminated land to avoid re-suspension of the pollution.

The legislative framework has been created by MO No. 1727 (2006) to approve the programme of biological screening of exposure of the population to lead, and MO No. 41 (2008) regarding the approval of specific methodology for biological screening of population exposure to lead. These two MOs are implementing Directive 77/312/CEE of 29 March 1977 on the biological screening of the population for lead.

In 2008 and 2009 the programme on biological screening of the population for lead exposure was conducted. The research was done on the population of Baia Mare, an area with known historical pollution. Critical groups which entered the study, according to WHO 41/2008, were pregnant women (2008) and children aged 0 to 6 years (2009).

The population screening programme for biological research regarding lead exposure continued in 2010 and 2011 in Baia Mare and Bucharest with these target groups (pregnant women and children aged 0 to 6). The results fall in reference levels 1 and 2

Recommendation 14.6:
The Ministry of Industry and Mineral Resources in cooperation with the Ministry of Waters and Environmental Protection should inventory existing (industrial) waste sites and the Ministry of Health and the Family should assess the public health risk. This assessment should be a basis for action to manage the wastes guided by the priority of protecting public health.

MoH, through NIPH and the CPHDs, as the competent authority regarding waste from medical activities, oversees and monitors the production of such waste. This has resulted in a national database that allows regular assessment of the waste management system, determination of the quality and quantity of waste produced in hospitals with beds, identification of the risks which may arise from this category of waste, minimization of the quantity of medical waste generated by hospitals, and for proposing measures aimed at improving waste management in public health products. Specific technical regulations for the management of waste generated from medical activities are specified in MO No. 219 (2002), as amended and supplemented by MO No. 997 (2004) and MO No. 1029 (2004) along with data collection methodology for the national database on waste from medical activities.

During the period 2004–2008, actions were initiated for the gradual closing of 355 small incinerators which were used to destroy hazardous waste from medical activities by burning. Following these actions, the medical institutions have opted for outsourcing services for treatment/disposal of such waste. Final disposal conditions (by incineration or neutralization station waste heat sterilization) are stipulated in a contract signed with a specialized company in the field. Another alternative is represented by neutralization through thermal sterilization of

medical hazardous waste at the health unit level (using its own equipment), followed by storage in a landfill. In addition, through the implementation by MoH in 2009 of a PHARE project on waste from medical activities, 28 pieces of neutralization equipment by thermic sterilization were purchased. These will help with the smooth running of the low-temperature thermal treatment of infectious waste from medical activities.

Recommendation 14.7:
Occupational health services should adopt the health, environment and safety management at the enterprise (HESME) approach to better integrate the concerns for the health of workers, local residents and the environment.
According to occupational health and safety legislation in Romania (GD No. 1425 (2006), GD No. 355 (2007), GD No. 955 (2010) and GD No. 1169 (2011)):

- Occupational health physicians are members of workplace health and safety committees and monitor how the legal regulations regarding health hazards at work are being applied;
- Analyses also cover claims brought by employees regarding working conditions.

Preventive health services which ensure the health surveillance of workers in Romania include medical examination on employment, periodical examinations, special surveillance and health promotion at work. These checks are based on risk factors and results are presented in the professional medical record of individual workers. Employers are required to ensure necessary funds and the conditions for preventive health services and the health surveillance of workers.

In order to raise workers' awareness concerning health and safety at work, employers involve occupational health physicians who perform specific health promotion activities in the workplace. To promote measures for workers' adaptation to working conditions, and in order to improve working and environmental conditions, occupational health physicians give occupational health and hygiene advice to workers and their representatives from business and health and safety committees.

Recommendation 14.8:
Under the responsibility of the Ministry of Health and the Family, LEHAPs (Local Environmental Health Action Plans) should be developed urgently, giving sufficient funding and staff to the local administration responsible for their preparation and implementation. Tools and methods for local actions under the NEHAP should be prepared. The NEHAP secretariat should be responsible for describing the LEHAP situation and publicizing the results of local experiences.

MoH runs the national monitoring programme of the determinant factors in living and working environments. Its objective is to protect public health by preventing risk factors associated with illnesses associated with such within these environments. This programme is conducted by bodies subordinated to MoH, namely NIPH and the CPHDs. Technical coordination of the programme is carried out by NIPH.

Recommendation 14.9:
The Government should ensure that the expertise and resources of the Institutes of Public Health are strengthened and used (i) to assess the health impact of existing environmental conditions and of implemented, or planned, actions and policies, which should be part of any planning process, and (ii) to communicate the results to the public. An efficient information system with data on environmental health hazards, on population exposure and on local projects, should be established. It will help set local and national priorities.

Through the national monitoring programme of the determinant factors in living and working environments, MoH establishes the strategic direction of programme activities, providing financial resources for organizing and carrying out those actions and, in collaboration with NIPH, ensuring the development and transmission to national and international bodies of periodic reports, according to legal provisions and EU obligations.