



The Swiss Enlargement Contribution

Interim report for the end
of the commitment period in
Bulgaria and Romania
2009–2014



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

**Swiss Agency for Development
and Cooperation SDC**

**State Secretariat for
Economic Affairs SECO**

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Dear Reader,

What does the disposal of toxic pesticides and household waste in Bulgaria have in common with the development of a nature reserve network in Romania? Why do we hear about Romanian police officers who learn the Romany language, the support for SMEs and the fight against corruption in Bulgaria and Romania?

These are all examples of the support provided by Switzerland as part of the enlargement contribution to Bulgaria and Romania, two countries that joined the European Union on 1 January 2007. Since 2009, the contribution of CHF 257 million finances projects in Bulgaria and Romania that aim to reduce their economic and social disparities. Five years on, 28 projects and 13 so-called thematic funds with numerous individual projects have been pledged that will be implemented in the coming five years until 2019.

It is time for the Swiss Agency for Development and Cooperation SDC and the State Secretariat for Economic Affairs SECO to take a first look at the results of the enlargement contribution to Bulgaria and Romania as it stands today. Some projects are already

showing their first positive results. Patients are now being treated and cared for at home in four municipalities of the Bulgarian district of Vratsa. The launch of home nursing and care – known as Spitex in Switzerland – is the result of a close collaboration between the Swiss and Bulgarian Red Cross, which will continue even once the project has ended. In Romania, the supporting association Energy City Switzerland assists in establishing the *Energy City* concept *European Energy Award*, which was developed in Switzerland. These partnerships are just two examples of around 100 that are being established or strengthened as part of the enlargement contribution in Bulgaria and Romania.

The active involvement of Swiss partners ensures a high quality standard and sustainability of the projects in Bulgaria and Romania and also provides a valuable networking tool for Switzerland within Europe. We therefore look forward to the continued successful implementation of the projects.

We trust you will enjoy reading this report.



A handwritten signature in black ink, appearing to read 'M. Ineichen-Fleisch' with a stylized flourish at the end.

Marie-Gabrielle Ineichen-Fleisch
Secretary of State
SECO Director



A handwritten signature in black ink, appearing to read 'M. Sager'.

Manuel Sager
Ambassador
SDC Director-General

Key points in brief



Who, what and when?

In November 2006, within the context of the Federal Act on Cooperation with the Countries of Eastern Europe, the Swiss electorate approved the so-called enlargement contribution. 210 projects were approved until the end of the commitment period in June 2012 as part of the contribution to the 10 countries that joined the European Union (EU) in 2004 (EU-10). The projects will be completed by June 2017.

Bulgaria and Romania joined the EU in 2007. Since 2009, Switzerland has also been supporting Bulgaria and Romania with an enlargement contribution. Switzerland has approved 13 thematic funds and 28 projects in both countries until the end of the commitment period in December 2014. Some projects are already underway. All projects must be completed by December 2019.

How much?

Switzerland provides Bulgaria and Romania with CHF 257 million, a sum approved by Parliament in 2009. Projects totalling CHF 244.15 million will be implemented by 2019, corresponding to 100% of the planned project budget. The costs incurred by Switzerland for the implementation of these projects (CHF 12.85 million) are added to this figure. In general, at least 15% of the project costs are being funded by the partner countries.

A contribution of CHF 1 billion had already been approved for the EU-10 in 2007.

Croatia became the 28th member of the EU on 1 July 2013. Switzerland is also supporting this new EU member with the amount of CHF 45 million, thus making a contribution to the reduction of economic and social disparities in this country too, as decided by Parliament in December 2014.



Why?

Through the enlargement contribution, Switzerland is helping to reduce the economic and social disparities within the EU and is thus contributing autonomously to the costs of EU enlargement in the spirit of solidarity. The funded projects are helping to fulfil the following objectives, in particular:

- Promoting economic growth and improving working conditions
- Improving social security
- Protecting the environment
- Improving public safety and security
- Strengthening civil society

The enlargement contribution supports the endeavours of the EU to promote peace and prosperity in Europe and is therefore also in Switzerland's own interests. The projects also support international partnerships in various areas of society and strengthen the bilateral relationships with the new EU member states. At the same time, the contribution cements Switzerland's relationships within the entire EU.

How?

The project proposals are submitted by the partner countries and reviewed and approved by Switzerland.

Contracts are put out to public tender in the respective country as part of project implementation. The relevant national legislation on public procurement and the guidelines of the EU and the World Trade Organisation (WTO) apply.

In order to also reduce economic and social disparities within the two countries, many projects are implemented in structurally weak regions. Switzerland also places great importance on involving Swiss partners to promote the exchange of knowledge.

Switzerland is taking various measures to ensure that the funds are used correctly and reviews both the tenders and the contracts. The partner countries report regularly on project implementation and the local offices supervise the projects. A financial audit is carried out by a certified organisation at least every two years and upon conclusion of a project. The way in which the funds are paid out also offers a certain amount of security. The partner countries pre-finance the projects and Switzerland pays out the funds to reimburse them. If irregularities are suspected, Switzerland can halt repayments.



The enlargement contribution

Ten countries joined the EU in 2004 – Estonia, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, the Czech Republic, Hungary and Cyprus (EU-10). Three years later, Bulgaria and Romania also became members. Croatia became the 28th member of the EU on 1 July 2013. With the exception of Malta and Cyprus, Switzerland has been supporting these countries with political, economic and social transition to democracy and a social market economy as far back as the 1990s.

Despite joining the EU, major economic and social disparities still exist between the oldest and youngest members of the EU. For this reason, the EU is continuing to strongly support the development of these economically weaker countries and regions in order to reduce disparities and promote solidarity within the community (cohesion policy).

Switzerland recognises the expansion of the EU as a major step towards greater security, stability and prosperity on the European continent. Through the enlargement contribution, it is therefore helping the EU with its goal to reduce economic and social disparities in the enlarged European Union. Switzerland's contribution of CHF 1 billion for the EU-10, CHF 257 million for Bulgaria and Romania, plus a further CHF 45 million for Croatia, is not just a sign of solidarity, but also serves to strengthen the country's bilateral relations with the EU and its member states – Switzerland's most important political and economic partner.

The Federal Law on Cooperation with the Countries of Eastern Europe, which was approved by Swiss voters (53.4%) on 26 November 2006, forms the legal basis for the enlargement contribution. Parliament approved the respective framework credit on

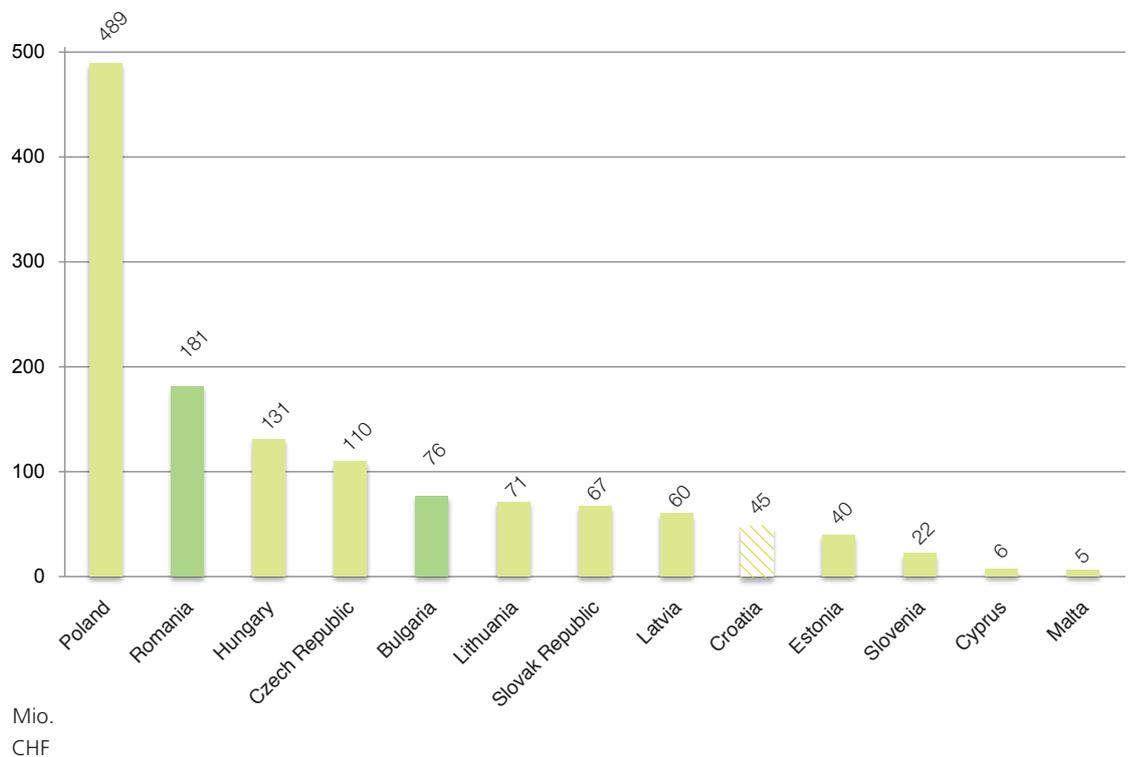


Figure 1: Enlargement contribution by geographic region

The distribution of the enlargement contribution is based on a distribution formula established on the basis of population size and per capita income.



14 June 2007 for the EU-10, on 7 December 2009 for Bulgaria and Romania, and on 11 December 2014 for Croatia. Switzerland has concluded a bilateral framework agreement with each of the twelve partner countries. These agreements govern the various procedures and commitments.



Switzerland makes its own independent decisions and negotiates directly with the partner countries about the projects it plans to support. SDC, SECO and the employees of the joint local offices in Warsaw, Riga, Budapest, Prague, Bratislava, Bucharest and Sofia provide support to the implementation of the projects. All projects in the EU-10 will be completed by June 2017 and December 2019 in the case of Bulgaria and Romania. The projects had to be approved in the first five years following the authorisation of the framework credit. These five years elapsed on 14 June 2012 for the EU-10 and on 7 December 2014 for Bulgaria and Romania. The projects selected in the framework of the Swiss contribution to Croatia will be implemented by 2024.



Project goals in Bulgaria and Romania

Prior to joining the EU and in the years thereafter, Bulgaria and Romania implemented numerous reforms. The economic, social and ecological indicators show that despite the efforts, the countries still have significant deficits compared with the EU average (see Tables 1, 2 and 3 in Appendix 2).

The enlargement contribution promotes five key objectives, which Bulgaria and Romania implement as follows:

- **Promoting economic growth and improving working conditions**

Switzerland provides SMEs with easier access to long-term investment capital, improves their competitive position and promotes vocational training and research.

- **Improving social security**

The enlargement contribution helps to improve the living conditions of disadvantaged groups within the population (such as the Romany people) and assists with providing basic medical care.

- **Protecting the environment**

Energy-efficient buildings and the sustainable disposal of hazardous waste are key tasks in this sector.

- **Improving public safety and security**

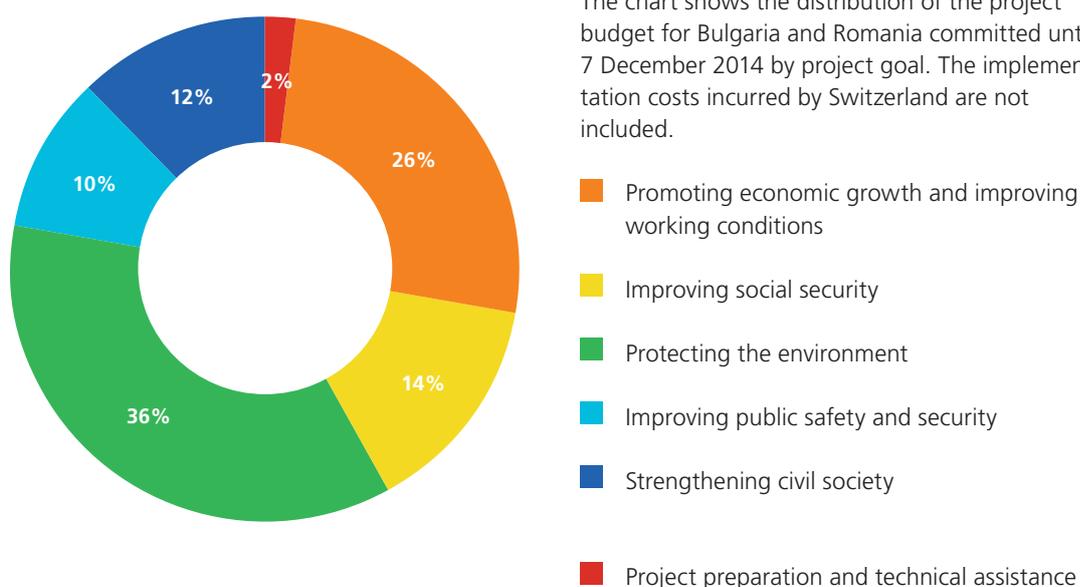
Switzerland focuses on fighting corruption, organised crime and human trafficking.

- **Strengthening civil society**

The enlargement contribution promotes numerous partnership projects and projects implemented by non-government organisations (NGO).

Detailed examples of projects in Bulgaria and Romania are listed for each goal in Appendix 1. For more selected projects, go to www.swiss-contribution.admin.ch.

Figure 2:
Distribution of the enlargement contribution to Bulgaria and Romania by project goal



The chart shows the distribution of the project budget for Bulgaria and Romania committed until 7 December 2014 by project goal. The implementation costs incurred by Switzerland are not included.



ENLARGEMENT CONTRIBUTION FOR BULGARIA CHF 76 MILLION



Population: 7.3 million

Swiss imports from Bulgaria: CHF 220.2 million

Swiss exports to Bulgaria: CHF 327.9 million

Real GDP growth rate: 1.1%

Purchasing power compared to EU average: 47%

(Source: Eurostat, Swiss foreign trade statistics, figures for 2013)

PROJECT GOALS

Nine projects and six thematic funds with numerous individual projects (see info box on page 17) with a volume of CHF 72.2 million were approved in Bulgaria. One of the following goals is allocated to each of the projects:

■ Promoting economic growth and improving working conditions

Promoting a dual vocational training system

Companies and public institutions rely on well-qualified employees to remain competitive and to successfully implement their goals. With the experience of the Swiss Federal Institute for Vocational Education and Training (SFIVET), Switzerland supports the dual vocational training system in Bulgaria to ensure that it better matches requirements in the labour market. Swiss experts provide training for Bulgarian teachers and their superiors as well as other measures.

Scholarship and research programmes

The research fund, led by the Swiss National Fund (SNF), implements 13 joint projects of Bulgarian and Swiss research institutions in the fields of ecology, social sciences, medicine and engineering. A scholarship programme provides 22 Bulgarian academics with the opportunity to take up a research residency at a Swiss university.

Public procurement

In many countries, public institutions are key customers due to their large procurement volumes. Switzerland supports Bulgaria in the launch and implementation of a sustainable procurement strategy based on the EU's recommendations to its member states. The procurement process should take account of aspects such as finances and, in particular, ecological and social sustainability. A clearly structured public procurement process also counteracts the risk of corruption.

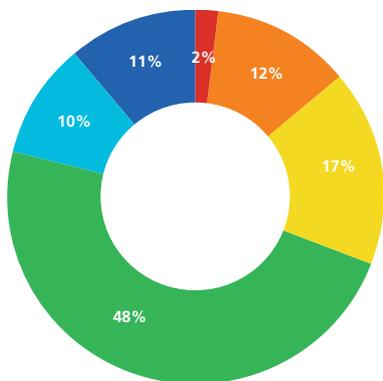
■ Improving social security

Integration of Romany people

The majority of the Romany population has insufficient access to medical care and is poorly integrated in the labour market. The latter is the result of only few Romany children attending school and their standard of education therefore being lower. In addition to raising the unemployment rate, this also leads to serious problems such as crime, migration and ghettos. Various projects submitted and implemented by municipalities help to improve the living conditions, healthcare and education standards of Romany people and other ethnic minorities.



Figure 3: Allocation of the Swiss contribution to Bulgaria by project goal



Promoting economic growth and improving working conditions

3 projects
CHF 9 070 500

Improving social security

5 projects
CHF 12 001 344

Protecting the environment

5 projects
CHF 34 642 124

Improving public safety and security

8 projects
CHF 7 186 843

Strengthening civil society

3 projects
CHF 7 800 000

Project preparation and technical assistance

2 projects
CHF 1 499 189

Total CHF 72 200 000

The remaining amount covers expenses for administrative costs on the Swiss side.

Home nursing and care

A home nursing and care system, based on the established Spitex model in Switzerland, improves the quality of life of chronically ill or disabled elderly people. The system has been successfully launched in four municipalities and plans are to roll it out on a national level. The Swiss Red Cross plays an important part in planning and implementing the project.

Protecting the environment

Waste disposal

Today, around 4,500 tonnes of toxic pesticides from the days of Communist rule are still stored in financially weak rural regions in Bulgaria. Funds from the enlargement contribution are used for disposing of these hazardous substances in a secure and environmentally friendly manner and to redevelop outdated warehouses. Switzerland also assists Bulgaria with the development of a national concept for handling hazardous household waste and is testing this in various pilot projects in several municipalities.

Improved public transport system in Sofia

The transport company *Basler Verkehrs-Betriebe (BVB)* is delivering 28 used trams to Sofia to improve the efficiency of the outdated public transport system, reduce traffic jams and greenhouse gas emissions and improve people's access to public transport. Switzerland also promotes the implementation of a study with the aim of optimising the connection between the tram and Metro networks in Sofia.

Improving public safety and security

Fighting corruption, organised crime and human trafficking

Eight years since joining the EU, the fight against corruption remains one of Bulgaria's largest challenges. Switzerland finances various projects that aim to fight corruption, organised crime and human trafficking. The capacities and cooperation of the law enforcement agencies are strengthened to prosecute financial crimes and recompense illegal assets, for instance. Legal reforms are also being promoted. Switzerland and the relevant Bulgarian authorities are intensifying their cooperation to fight human trafficking. Switzerland also helps Bulgaria with its preventive work and the protection as well care and reintegration of victims.

Strengthening civil society

Promoting a civil society and the transfer of knowledge through partnerships with Switzerland

Partnership projects in Bulgaria promote the exchange of knowledge and experience between Swiss and Bulgarian municipalities and institutions. Furthermore, NGO projects are co-financed in the fields of social services and environment.

For further information please go to www.swiss-contribution.admin.ch/bulgaria





ENLARGEMENT CONTRIBUTION FOR ROMANIA CHF 181 MILLION



Population: 20 million

Swiss imports from Romania: CHF 559.1 million

Swiss exports to Romania: CHF 792.6 million

Real GDP growth rate: 3.4%

Purchasing power compared to EU average: 54.0%

(Source: Eurostat, Swiss foreign trade statistics, figures for 2013)

PROJECT GOALS

19 projects and seven thematic funds with numerous individual projects (see info box on page 17) with a volume of CHF 172 million were approved in Romania. One of the following goals is allocated to each of the projects:

Promoting economic growth and improving working conditions

Investment loans for SMEs

Many Romanian SMEs find it difficult to obtain credit from business banks as they lack guarantees. Switzerland therefore contributes CHF 24.5 million to a loan fund. This fund provides SMEs in the manufacturing, tourism, healthcare or clean-tech industries with secured loans of up to CHF 100,000. The goal is to strengthen the competitive position of the SMEs and create jobs with these investment loans.

Promoting exports

As part of an integrated trade promotion programme, Switzerland supports Romanian SMEs in their efforts to export more of their competitive products to foreign markets. This trade promotion programme will address factors such as practical training, certification measures and the development of regional Export Business Centres. The programme helps to improve the competitive position of SMEs in structurally weak regions and increase Romanian exports, particularly in the wood processing and biological agriculture industries.

Regulation of the financial sector

Switzerland supports Romania in its fight against money laundering and the financing of terrorism as part of its international obligations. Training is provided for employees of the authorities responsible for fighting money laundering and a new IT system is being installed. Switzerland also improves the performance of the tax authorities and services provided to citizens and companies, contributing to the financing of a new document administration system for the Romanian tax authorities.

Job orientation training in businesses and schools

A teaching concept, which has been developed in collaboration with the University of Teacher Education Zurich, aims to provide young people with improved access to jobs. Students can participate in specialised training modules where they are able to better assess their own strengths and gain an insight into the real job world.



Scholarship and research programmes

The research fund, led by the Swiss National Fund (SNF), implements 26 joint projects of Romanian and Swiss research institutions in the fields of medicine, environment, energy as well as economic and social sciences. Thanks to a scholarship programme, 87 Romanian students are given the opportunity to take up a research residency at a Swiss university.

■ Improving social security

Integration of Romany people

The majority of the Romany population in Romania has insufficient access to basic medical care and education. Various projects help to improve the living conditions, healthcare and education standards of Romany people and other ethnic minorities. Students receive targeted support in line with the curriculum for their age group to make it easier for them to join ordinary classes.

Improvement of the Romanian air rescue services

The Swiss Air Rescue (Rega) organises and coordinates pilot training to improve the quality of the Romanian air rescue services. As one of the measures, 28 pilots complete training units in a flight simulator at the training centre of the Swiss Air Force at the military airfield in Emmen.

Improvement of basic medical care

Switzerland supports the improvement of children's wards in Romanian hospitals. Among other activities, employees take part in specific training events based on the current EU directives. In addition, the emergency services training centres are modernised and Swiss experts train the persons responsible for providing training. The enlargement contribution also supports the development of integrated healthcare and social services in rural areas, thus improving the population's access to these services.

■ Protecting the environment

Energy efficiency and renewable energies

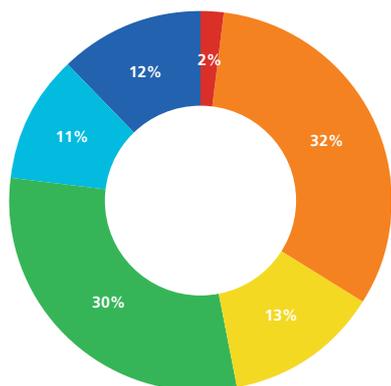
Switzerland provides Romania with CHF 41 million for the launch of the *Energy City* concept, which originates from Switzerland. The *Energy City* label is a management concept that provides proof of performance for municipalities that implement a sustainable communal energy policy. The supporting association Energy City Switzerland contributes its long-standing experience and expert knowledge and helps with the establishment of a Romanian support association. Switzerland also gets involved in energy-related infrastructure projects on the basis of the development of an energy action plan. This includes improving the efficiency of district heating systems, introducing LED street lighting, renovating schools to be more energy-efficient, promoting electric mobility and procuring electric buses. Switzerland also participates in a fund aimed at spreading the *Energy City* concept throughout the country and supporting energy-related activities in Romania's structurally weak regions.

Public transport

Romania plans to develop public transport in its capital Bucharest and extend the Metro line M4 by 14 kilometres to the Southern suburbs, starting from the city's central station. The Swiss contribution finances measures such as a feasibility study, which will form the decision-making basis for this multi-billion project.



Figure 4: Allocation of the Swiss contribution to Romania by project goal



Promoting economic growth and improving working conditions

11 projects
CHF 55 053 651

Improving social security

8 projects
CHF 22 555 081

Protecting the environment

15 projects
CHF 52 085 876

Improving public safety and security

21 projects
CHF 18 000 000

Strengthening civil society

2 projects
CHF 21 251 662

Project preparation and technical assistance

2 projects
CHF 3 003 730

Total CHF 171 950 000

The remaining amount covers expenses for administrative costs on the Swiss side.

Promoting biodiversity and conservation

Plans are to preserve the valuable biodiversity and protect the nature of the South-West Carpathian Mountains. A network of five nature reserves that involves civil society is being established for this purpose. Switzerland also supports Romania in the implementation of the EU directives regarding the Natura 2000 network. The WWF Switzerland trust is the project partner and contributes its long-standing experience in the field of conservation.

Improving public safety and security

Fight against corruption, organised crime and human trafficking

Switzerland helps to fight corruption, organised crime and human trafficking with the enlargement contribution. Since 2012, for example, a project has been underway to support the Romanian authorities in the care for victims of human trafficking and its prevention.

Implementation of the Schengen Agreement

Switzerland supports Romania in its preparations for joining the Schengen Agreement and in the fight against illegal immigration. The border police participates in training events and a newly installed automated finger print identification system facilitates the exchange of data with other EU member states.

Prevention and safety

Switzerland supports the activities of the Romanian police force. The aim is to strengthen the population's trust in the police and to fight crime. Special focus is on promoting communications between the police and disadvantaged sections of the population such as the Romany people, which is a minority group.

Strengthening civil society

Promoting a civil society and the transfer of knowledge through partnerships with Switzerland

A total of CHF 18 million is used for implementing small projects in the fields of social services and environmental protection as part of the NGO and partnership fund. As an example, Switzerland finances a partnership between a Swiss association that provides support for abandoned children in Romania and a Romanian NGO. With Switzerland's help, they are building a workshop for integrating young people with learning difficulties in the labour market.

For further information please go to www.swiss-contribution.admin.ch/romania



Benefits for Switzerland



The Swiss enlargement contribution is an important contribution to a secure, stable, prosperous and democratic Europe. This support and solidarity benefits the partner countries. However, Switzerland also benefits from the enlargement contribution in several respects.

Strengthening relations with the EU

The enlargement contribution is an important part of Swiss foreign policy in Europe. Switzerland is regarded as a responsible partner who helps overcome major challenges on the European continent. This strengthens the bilateral relations not only between Switzerland and the new EU member states, but also between Switzerland and the EU as a whole. Good relations and cooperation with the EU are crucial for Switzerland's economy as roughly one out of every three francs it earns is generated from exports to the EU.

Enhancing opportunities for the Swiss economy

The EU enlargement has considerably improved Switzerland's export and investment opportunities. The Swiss economy and industry is benefiting from the positive development of Eastern Europe's growth markets and the creation of an attractive environment for developing new business relations. Despite the collapse in economic growth caused by the economic and financial crisis in 2009, the debt crisis in the EU, and the strong appreciation of the Swiss franc, Switzerland exported goods of over CHF 1 billion to Bulgaria and Romania. Swiss direct investments in these countries have more than doubled since their entry into the EU in 2007, amounting to around CHF 3.6 billion by the end of 2012.

Although the Swiss enlargement contribution accounts for less than 1% of the EU resources available to these two partner countries, projects implemented successfully as part of the enlargement contribution help to promote a positive image of Switzerland in the new EU countries (and in the EU generally) and thus improve the opportunities for Swiss companies in these countries. A survey carried out annually since 2010 reveals that small and large Swiss enterprises have received around 400 contracts worth around CHF 1.7 billion from EU-funded projects in the twelve partner countries of the enlargement contribution in recent years. However, the actual contracts placed with Swiss firms from EU funds are likely to significantly exceed this amount.

The Swiss economy also benefits directly from the enlargement contribution in the form of mandates for Swiss companies, consultants, organisations, associations and research institutions. By the end of 2013, the total value of the backflows within the scope of project implementation in Bulgaria and Romania stood at almost CHF 30 million. Now that the commitment period has been completed, the next priority is project implementation. Most public tenders are still to come and it can be expected that Swiss companies and consultants will also participate. Swiss consultants were also appointed to assess and monitor projects.



Reducing security risks and promoting climate protection

The projects supported by the enlargement contribution improve local living conditions. The peripheral regions continue to experience wide-spread poverty. This as well as weak government institutions creates serious political risks that also directly affect Switzerland in the form of illegal migration and international crime. Environmental issues also do not stop at any borders. The environmental projects (many of them promote climate protection) are therefore also in Switzerland's interest.

Swiss partnerships within the programme

The enlargement contribution promotes more than just cooperation between the authorities. Swiss professional institutions, such as cantons, towns, municipalities, organisations, associations, foundations and universities, are involved in over half of the projects in Bulgaria and Romania. By promoting institutional partnerships, Bulgaria and Romania benefit from Swiss experience and know-how and Switzerland profits in return, mainly through the long-term cooperations and international networks that far outlive the actual projects.

Example 1

Close collaboration in the research sector

Swiss research institutions collaborate with Bulgarian and Romanian partners on research projects funded by the research fund. The Sciex scholarship programme also gives Bulgarian and Romanian students the opportunity to take up a fixed-term research residency in Switzerland.

The Swiss research residency of the Romanian student Camelia Stefanache has led to a close partnership between the Zurich University of Applied Sciences (ZHAW) and the Romanian University *Alexandru Ioan Cuza*. The professor who mentored Camelia during her research residency at the ZHAW receives regular invites from the Romanian university to hold guest lectures for PhD students.





Example 2

Public transport on the move in Bucharest and Sofia

Bulgaria's and Romania's capitals are also the largest cities and key traffic hubs of these two countries. Traffic jams and pollution are a common sight. The Swiss contribution aims to reduce these burdens and improve the partially outdated and insufficient public transport network. The exchange of experiences between the public transport companies in Bucharest and Lausanne is one of the measures implemented to this end. The transport company *Basler Verkehrs-Betriebe (BVB)* is also supplying Sofia with 28 trams and provides driver and maintenance training on site.

Thematic funds

Switzerland works with so-called thematic funds for some of the projects in Bulgaria and Romania. There are 13 thematic funds in total that assist in the seven key areas of safety, civil society, partnerships, integration of Romany people, health-care, research and scholarships. Private Swiss fund managers (*Swiss Intermediary Bodies*), who have been selected by public tender, analyse the suggested projects. A consortium consisting of the business consulting firm Team Consult Geneva, the Geneva Centre for the Democratic Control of Armed Forces (DCAF) and the NGO Coginta, for instance, was mandated for the safety and security thematic fund in Romania. Switzerland makes the final decision on which projects will be implemented. The use of thematic funds has several advantages: The topics are focussed as the fund is limited to seven key areas. These funds also ensure that projects are selected sensibly and implemented efficiently and correctly as Swiss partners with in-depth expert knowledge of the topic oversee the process. The Swiss industry also profits from the mandates to the private Swiss fund managers, which amount to CHF 9 million.

Correct use of the funds



The funds must be used correctly in all countries in order for the cooperation to be successful. During the entry process of Bulgaria and Romania, the EU found deficiencies concerning the modernisation of the judicial system as well as the fight against corruption and organised crime. A survey carried out by the EU in 2013 uncovered that corruption remains one of the largest challenges in both countries. The EU monitors progress in this field in Bulgaria and Romania with the help of a cooperation and monitoring mechanism. The latest progress report was prepared in January 2014. It shows that Bulgaria has made only little progress. The EU sees progress in many areas in Romania, but the maintenance of an unbiased judicial system is still a cause for concern.

Switzerland follows this process and only signed the framework agreements with Bulgaria and Romania once it was convinced that the regulatory and issuing authorities in both countries are functioning properly. Switzerland has taken various preventive measures to minimise the risk of corruption in the projects supported by the enlargement contribution.

Structures and organisational processes

Before collaborating with institutions in Bulgaria and Romania, Switzerland thoroughly checked out each one of them. The authorities carried out audits to ensure that the structures, organisational processes and control mechanisms meet Swiss standards. In contrast to the enlargement contribution for the EU-10, Switzerland uses thematic funds for some of the projects in Bulgaria and Romania. Swiss fund managers are closely involved in selecting and monitoring projects within the thematic funds (see info box on page 17).

Project selection

The projects are proposed by the partner countries. The correct allocation of funds is already taken into consideration during the project selection phase. Independent bodies featuring the relevant ministries and non-governmental organisations, etc., review the selection criteria and selection procedure. Switzerland may take part in meetings between these bodies in an observational capacity. It also appoints Swiss experts for the assessment of feasibility studies.

Switzerland is responsible for deciding whether or not a project shall receive funding. Risks relating to misappropriation and corruption are addressed during the project review stage.

Awarding contracts

Supply and service contracts are awarded in accordance with WTO, EU and national law. The partner country must comply with the applicable rules and must confirm in writing the independence of all involved in each public tender. The tender documents also include an integrity clause in which all parties undertake not to commit acts of corruption. Switzerland has access to all documents relating to the awarding of the contract. Experts appointed by Switzerland check the tender documents of all tenders in excess of CHF 500,000 prior to their publication.

Implementation phase

Regular reports and audits

The responsibility for reviewing the services provided is borne by the body which has submitted the project. It reports back to Switzerland on the progress of the project and the services billed at least every six months. The partner country checks and confirms to Switzerland that the reimbursement claims are correct. Switzerland has access to all relevant documents.

The partner countries must inform Switzerland of any suspected irregularities. The partner countries will look into the suspected cases and ensure criminal prosecution under national law, where necessary.

Close monitoring locally

The SDC and SECO have set up offices for Bulgaria and Romania in Bucharest and Sofia. Offices for the EU-10 have been set up in Warsaw, Riga, Budapest, Prague and Bratislava. They are part of the Swiss embassies and receive their support. Employees in these offices are familiar with the local conditions and are in direct contacts with the relevant authorities. They also support and review the projects at the local level.

Switzerland also awards contracts to external experts. These experts use their specific specialist knowledge to review the services provided during visits to project sites.

A certified organisation carries out a financial audit for each project at least every two years and at the end of the project. Switzerland is provided with the results of all audits, their summaries, conclusions and recommendations.

Repayment mechanism and payment stop in case of suspicion

All contributions to projects are usually made in advance from the partner country's purse. Only once Switzerland has received and reviewed the reimbursement claims previously reviewed and confirmed by the partner country will it release the payments. If irregularities are suspected, Switzerland is entitled to stop payments and claim back any wrongly attributed contributions.

Projects for the fight against corruption in Bulgaria and Romania

Switzerland does not only minimise the risk of corruption in the projects funded by the enlargement contribution. It also finances various projects in Bulgaria and Romania that aim to fight corruption and organised crime. The focus is on strengthening institutions that fight financial crime and money laundering or that place public tenders. The projects also facilitate the exchange of experiences with the Swiss law enforcement agencies and reforms of the judicial system. The NGO projects also contribute to the fight against corruption, as a properly functioning civil society can assume an important controlling function.

Voices from Bulgaria and Romania



Bulgaria



The Swiss contribution provides support in areas where Bulgaria requires progress and in which Switzerland offers know-how and expertise.

Special attention is paid to fostering the system of dual vocational education in Bulgaria where Switzerland's experience can be used and take effect. In so doing, Switzerland is making an important contribution to combating unemployment among young people. Special emphasis is also placed on cooperation between Swiss and Bulgarian non-governmental organisations, NGOs, as they can fulfil important tasks in terms of empowering civil society, which is crucial for the functioning of a real democracy in Bulgaria.

We greatly appreciate the Swiss contribution for Bulgaria because it strengthens bilateral relations and close cooperation. The advantage of the relatively small financial contribution is that it supports high-quality and results-oriented projects that take into consideration the real needs and capacities of the Bulgarian partners.

I am confident that the cooperation will lead to tangible and lasting results and hope that we will continue to work together in this way in the future.

Meglana Plugtschieva

Ambassador of the Republic of Bulgaria for Switzerland and the Principality of Liechtenstein



The Swiss contribution for Bulgaria has demonstrated that even smaller funds, relative to the EU funds, can make a difference if they are spent in a targeted way. Our expectations are for visible, tangible and lasting results. We also appreciate the Swiss-Bulgarian cooperation programme for bringing the people of our countries closer together. Mutual understanding and respect are at the core of all endeavours and progress.

Mariana Kordova

Director of the Monitoring of EU Funds Directorate
Head of the National Coordination Unit for the Swiss-Bulgarian Cooperation Programme
Council of Ministers



Romania



The Swiss-Romanian cooperation works perfectly. The first results of the projects in the fields of safety, research, education and SME support are living proof. The varied topics as well as the direct, professional and constructive cooperation with our Swiss partners and the careful preparations to closely match requirements are key to the success of the programme. Without doubt, this positive cooperation has also strengthened our bilateral relations.

In view of the extremely positive results of this cooperation, Romania is very interested to continue it in the long term and to expand it to other key areas.

In the name of the Romanian government, I would like to thank Switzerland for this outstanding and positive cooperation. We hope to further strengthen the friendly and effective partnership between Switzerland and Romania in the coming years.

Anca Opris

Ambassador of the Republic of Romania for Switzerland and the Principality of Liechtenstein



The Swiss contribution supports a wide variety of areas in Romania: security, stability and support for reforms, the environment and infrastructure, promotion of the private sector, human and social development. Romania has shown a keen interest in projects designed to improve the environment, to develop models of community integrated health and social services, and to facilitate access to financing for SMEs.

Taking into account the variety of projects and beneficiaries, I am confident that the programme can create constructive models that will be further replicated and that it will continue its main objective of contributing to reducing economic and social disparities.

On behalf of the Romanian National Coordination Unit, I would like to express my gratitude to Switzerland for supporting this form of cooperation and for the excellent collaboration we have within this programme.

Cosmina Manolescu

General Director, Head of the National Coordination Unit for the Swiss-Romanian Cooperation Programme
Ministry of Finance

Annex 1: Examples of projects in Bulgaria and Romania

Promoting economic growth and improving working conditions

Secured loans for Romanian SMEs

SMEs: DRIVERS OF GROWTH AND DEVELOPMENT



SMEs in the manufacturing industry, tourism, health or cleantech sector gain access to long-term investment capital. A company with 20 employees has received a loan for CHF 79,000 to buy a machine tool which can automatically cut 3D promotional products to size using modern control technology. This purchase has also made it possible to hire three new employees.

Small and medium-sized enterprises (SMEs) are key to Romania's economic development. However, due to insufficient collateral, it is often difficult for SMEs to obtain the loans they need from commercial banks. Switzerland is therefore making a CHF 24.5 million contribution to a capital and loan fund from which SMEs can obtain loans secured by guarantees to a maximum value of CHF 100,000.

99.7% of Romanian companies are SMEs and 66% of employees work in the SME sector. However, there is still considerable potential for development as the number of SMEs in Romania is only half the EU average.

280 INVESTMENT LOANS FOR SMEs

Limited access to long-term investment capital is a major obstacle for Romanian SMEs. SMEs are often considered uncreditworthy by commercial banks due to their lack of track record and insufficient collateral. This is why Switzerland is making a CHF 24.5 million contribution to a capital and loan fund of the Romanian CEC Bank. Up to 280 Romanian SMEs can receive secured investment loans from this amount subject to the following conditions:

- The SMEs must be active in the manufacturing industry, tourism, health or cleantech sector.
- Each loan is for a maximum amount of CHF 100,000.
- The interest imposed by the CEC Bank is max. 3.5% above the Romanian loan interest rate on the interbank market.
- If an SME cannot provide enough collateral, the Romanian credit guarantee fund covers up to 80% of the loan amount.

Switzerland co-finances up to 70% of each loan. The CEC Bank must finance the remaining 30% from its own means. The repaid loans flow back into the fund and can therefore be used for new loans.

The CEC Bank was chosen for this programme via a public procurement procedure. Founded in 1864, the bank has long-standing experience as a savings and credit institution.



In the first six months since start of the programme, the CEC Bank has granted approx. 30 investment loans. Around a third of these were for SMEs in the tourism sector. Alexandru Serban has been awarded a CHF 44,000 loan to buy a new building for a restaurant. This loan has also enabled him, among other things, to create an extra job.

INCREASED COMPETITIVENESS AND MORE JOBS

The aim of the programme is to strengthen SMEs so that they become more competitive and can receive loans directly from commercial banks in the long-term. By supporting the development of a strong SME sector, Romania promotes economic growth and creates jobs.

My business, my future. I was able to expand my business thanks to the investment loan which I received on the basis of my initiative and company concept.



Adrian Miler, entrepreneur from Târgoviste

THE PROJECT IN BRIEF

OBJECTIVE

Promoting economic growth and improving working conditions

THEME

Access to finance for SMEs

COUNTRY

Romania

STARTING POINT / BACKGROUND INFORMATION

Due to insufficient collateral, it is difficult for Romanian SMEs to obtain loans from commercial banks. The number of SMEs in Romania is only half the EU average.

PURPOSE

Strengthen the competitiveness of SMEs and create jobs

ACTIVITIES

Granting of loans secured by guarantees to a maximum amount of CHF 100,000 in the manufacturing industry, tourism, health or cleantech sector.

TARGET GROUPS

SMEs

COSTS

Total project costs:

CHF 35 million

Swiss contribution:

CHF 24.5 million

RESPONSIBLE FOR PROJECT IMPLEMENTATION

The Romanian Ministry of Economics

DURATION

2014–2019

SWISS ENLARGEMENT CONTRIBUTION

January 2015

www.swiss-contribution.admin.ch

Home nursing service for elderly people in Bulgaria

MAINTAINING INDEPENDENCE IMPROVES THE QUALITY OF LIFE FOR ELDERLY PEOPLE



78 year-old Lyubomir Tze-nov is happy to be able to lead an independent life again thanks to home care.

Increasing life expectancy in Bulgaria means that there is now a larger number of older people in the country. To enable these people to remain at home in a familiar environment even at an advanced age, this project has introduced a home nursing service in four districts. Home nursing by specialists enables patients to maintain a degree of independence and improves the quality of life of chronically ill or disabled elderly people.

The average age of Bulgaria's population is increasing. By contrast, the birthrate is low and young Bulgarians are now either emigrating or moving to larger towns. As a result, many older people in Bulgaria are now isolated, both in medical and in social terms. The project provides home nursing services and assistance and thus improves the quality of life of chronically ill or disabled elderly Bulgarians, including members of the Roma community.

ASSISTANCE AND CARE AT HOME – THE SPITEX SERVICE

People who need medical care either go to a doctor or to a hospital. There are numerous hospitals in Bulgaria. However, this form of treatment is not always ideal for elderly or marginalised people suffering from chronic illnesses or disabilities. An efficient and effective health system must also provide home care for those who need it. This reduces the pressure on hospitals and on the target groups.

This home nursing system is known in Switzerland as Spitex and is a genuine alternative for the Bulgarian health system. In Switzerland over 200,000 people a year benefit from Spitex services and over 15,000 full-time Spitex staff provide the necessary care.

MAINTAINING INDEPENDENCE UNTIL AN ADVANCED AGE

The project has established four contact points for domestic care in four districts in the Bulgarian region of Vratsa. The service provides home nursing for over 350 people. This means that older people can continue to live at home in a familiar environment. They receive regular visits from staff trained to provide care and help with housework. This promotes the independence of the patients concerned until an advanced age.

Another advantage is that this method reduces costs, as home nursing is cheaper than hospital care. This method of treatment also creates jobs for the local population and helps to stem the tendency to move away from rural areas.

POSSIBILITY OF FUTURE SERVICES AT THE NATIONAL LEVEL



The project will also develop national quality standards for home care, with clear definitions of who is responsible for which tasks in the field of home care. The question of whether the offer for the Roma population and other minority groups in Bulgaria needs to be adapted will also be clarified, to enable care methods for these groups to be implemented in a targeted and efficient way.

Finally, on the basis of experience and results, proposals and recommendations for the national level of the health service are made in order to drive forward health service reforms that have been initiated. The home nursing system will be established at a national level. In future it could also be offered throughout the country, so that demographic and socio-economic challenges in the health system can be tackled in an effective and modern manner.

Thanks to the home nursing service, I feel safe and secure in my home.



Gena Nikolova (89) pensioner, Bulgaria.

THE PROJECT IN BRIEF

OBJECTIVE

Improving social security

THEME

Social services for certain target groups

COUNTRY

Bulgaria

PARTNERS

Swiss Red Cross
Experts in the Spitex area

STARTING POINT / BACKGROUND INFORMATION

As in many other European countries, the average age of the population in Bulgaria is increasing. More people therefore require regular care in their old age. In some regions of Bulgaria where there are high levels of migration to towns or abroad, old people no longer have anyone to look after them medically or socially.

PURPOSE

The project improves the quality of life of chronically ill or disabled older people and of members of minorities, particularly Roma. Home nursing reduces the pressure on hospitals and on the persons receiving care.

ACTIVITIES

The project establishes four contact points for care in four districts in the region of Vratsa. Trained care personnel, together with home helps, visit elderly persons in need of care in their homes and provide the necessary care and assistance.

TARGET GROUPS

Bulgarians, including members of the Roma community, aged over 65 with chronic illnesses or disabilities and living in the region of Vratsa.

COSTS

Total project costs:
CHF 2.8 million
Swiss contribution:
CHF 2.4 million

RESPONSIBLE FOR PROJECT IMPLEMENTATION

Bulgarian Red Cross
Swiss Red Cross

DURATION

2012–2016

SWISS ENLARGEMENT CONTRIBUTION

January 2015

www.swiss-contribution.admin.ch

Promoting energy efficiency and environmentally-sustainable mobility **SWISS ENERGY CITY MODEL IN ROMANIA**



The Swiss contribution supports selected cities in Romania that wish to become pilot Energy Cities.

Switzerland is actively involved in promoting a sustainable energy, transport and environmental policy in Romania. To this end, it supports the introduction of a quality-management and certification system developed in Switzerland, known as the *Energy City* label, for municipalities that implement a sustainable energy policy.

The EU has set itself the target of reducing greenhouse gas emissions by 20% from their 1990 level by 2020, raising energy efficiency by 20%, and increasing the share of renewable forms of energy in overall energy consumption to 20%. In this context, Switzerland is supporting with CHF 41 million the establishment of a supporting association Energy City Romania and nine infrastructure projects concerning energy in four selected cities. In addition, it is participating in a fund for the country-wide dissemination of the *Energy City* concept and for supporting energy-related activities in structurally weak regions of Romania.

EXCHANGE OF EXPERIENCES WITH ENERGY CITY SWITZERLAND

Switzerland is supporting Romania with the introduction of the *European Energy Award*, an instrument based on the *Swiss Energy City* concept for international quality management and certification, that has already been adopted by many municipalities in Europe over the last decade in their efforts to transform their energy consumption. Each municipality develops a tailor-made *Sustainable Energy Action Plan (SEAP)*. More than 1,200 municipalities throughout Europe are involved.

The establishment of a Romanian institution (the supporting association Energy City Romania) is also being supported within the framework of the programme. This involves the creation of an independent certification office, the admission of energy consultants and the development of measures and programmes for exchanging experiences. The Energy City Switzerland support association offers its many years of experience and expertise. Switzerland is contributing to the costs of the new Romanian supporting association for the first three years of its existence.

NINE ENERGY PROJECTS IN FOUR ROMANIAN CITIES

In addition, Romania has selected the four cities, Arad, Brasov, Cluj-Napoca and Suceava, as pilot Energy Cities from the 21 cities that submitted candidatures. These four medium-sized cities have been deliberately selected from different regions of Romania in order to establish the *Energy City* concept throughout the country. The four cities aim to become certified as Energy Cities. On the basis of the action plans developed by these cities, Switzerland supports the following infrastructure projects:

- More efficient district heating systems in Arad and Brasov
- Energy-efficient renovation of public buildings in Brasov and Cluj-Napoca
- Electric buses in Cluj-Napoca and electro-mobility in Suceava
- LED street lighting in Arad, Cluj-Napoca and Suceava



The city of Cluj-Napoca uses resources from the Energy City programme to make two schools energy-efficient.



The city of Suceava is to replace its old street lamps with energy-efficient LED lamps and optimise the operation of its street lighting with a remote-control system.

DISSEMINATION OF THE ENERGY CITY CONCEPT THROUGHOUT THE COUNTRY

The Energy City programme is however not limited to the four selected cities. Switzerland supports, by means of a fund, other cities with the introduction of the *European Energy Award* quality-management and certification system and helps finance smaller energy-related projects in structurally weak regions.

Through the implementation of the project to introduce modern and efficient street lighting, Suceava can raise the standard of living of its residents. A modern, efficient, standardised lighting system that meets EU standards lowers the cost of electricity, thus taking pressure off the city's budget, and reduces CO₂ emissions.



Ion Lungu, mayor of Suceava

THE PROJECT IN BRIEF

OBJECTIVE

Protecting the environment

THEME

Energy efficiency and renewable energy

COUNTRY

Romania

PARTNERS

Supporting association Energy City Switzerland
Various Swiss Energy Cities

STARTING POINT / BACKGROUND INFORMATION

The *European Energy Award* is an international quality-management and certification system based on the Swiss *Energy City* concept. It already supports more than 1,200 European municipalities towards the implementation of a sustainable energy policy.

PURPOSE

Improved environmental protection through the promotion of energy efficiency and environmentally-sustainable mobility.

ACTIVITIES

- Introduction of the *Energy City* concept and establishment of a supporting association Energy City Romania.
- Implementation of nine energy-related infrastructure projects in four selected cities.
- Establishing a fund for the country-wide dissemination of the *Energy City* concept and on supporting energy-related activities in structurally weak regions of Romania.

TARGET GROUPS

Four selected cities (Arad, Brasov, Cluj-Napoca, Suceava), Energy City Romania support association and, via the latter, other municipalities in Romania.

COSTS

Total project costs:
CHF 47.4 million
Swiss contribution:
CHF 41.2 million

RESPONSIBLE FOR PROJECT IMPLEMENTATION

Romanian and Swiss Energy City support associations; the four municipalities Arad, Brasov, Cluj-Napoca, Suceava; and the Romanian ministry of regional development

DURATION

2014–2019

SWISS ENLARGEMENT CONTRIBUTION

January 2015

www.swiss-contribution.admin.ch

Promoting public safety in rural communities of Romania

SWITZERLAND SUPPORTS ROMANIA'S POLICE REFORMS THROUGH COMMUNITY POLICING



A resident of the Romanian municipality of Merișani asks a local policeman for help.

Switzerland supports the work of the police in Romania, helping to build trust in the police among the public and to fight crime. Special priority is given to improving understanding between the police and disadvantaged population groups, for example the Roma minority.

Romanians often have little trust in public institutions. Surveys show that 93% of the population think relations between the police and the public need to be improved.

Switzerland's support is aimed at improving policing in Romania in 97 rural communities, building trust in the police among the population and reducing the crime rate. To this end, the community policing approach is used, which focuses on crime prevention and problem-solving.

The project covers three areas:

- strengthening community policing
- training police officers
- logistical and operational support for the police

STRENGTHENING COMMUNITY POLICING

With the support of the Romanian police, Swiss experts carried out a study in the 97 selected municipalities on the socio-economic situation, crime and relations between the police and the public. The insights gained from that study serve as a basis for the project. In addition, 68 Romanian police officers in positions of leadership are undergoing training in community policing. Five of them are to go to Switzerland for the purpose of exchanging experiences with their counterparts there.

TRAINING POLICE OFFICERS

Around 200 police officers are being given courses in Roma language and culture in a newly created training centre. The centre is part of the police academy in Slatina, a town located about 150 km west of Bucharest. The aim is to enhance understanding and improve the relationship between the police and the Roma minority. In addition, around 2,500 police officers from the selected municipalities are taking part in courses in communication and mediation – both of which are essential aspects of community policing.



Police officers taking courses in Roma language and culture in a newly created training centre at the police academy in Slatina.

LOGISTICAL AND OPERATIONAL SUPPORT FOR THE POLICE

The best way of ensuring effective community policing is to improve the police's mobility. Police officers in the selected municipalities are therefore provided with vehicles and up-to-date equipment. By the end of 2013, 69 villages had received vehicles and equipment such as computers and printers.

TRIED-AND-TESTED COOPERATION WITH SWITZERLAND

Back in 2000, Switzerland began helping the Romanian government to introduce community policing in the towns and cities. This pilot scheme met with such success that the Romanian government decided to extend it to rural areas too. Here, as in the towns and cities, Swiss expertise has been instrumental in introducing community policing. The Romanian police force works closely with the police academy at Savatan in the Canton of Vaud and with the Graduate Institute of International and Development Studies in Geneva.

Switzerland provides almost CHF 2 million of funding for the project. The project is part of the thematic fund security. Switzerland funds 20 different security-related projects in Romania for a total amount of CHF 18 million, supporting the country inter alia in the areas of the judiciary, the implementation of Schengen and the fight against corruption, human trafficking and organised crime.

The training helped me to better understand the habits, traditions and language of Roma people. The Roma community has increased its trust in me, which reinforces my ability to solve community issues.



Chief deputy sergeant Ionut Popa from the community police in Merișani village

THE PROJECT IN BRIEF

OBJECTIVE

Improving public safety and security

THEME

Support for policing in rural communities of Romania

COUNTRY

Romania

PARTNERS

Various Swiss institutions and experts

STARTING POINT/ BACKGROUND INFORMATION

In some rural areas of Romania where crime levels are higher than the national average the people have little trust in the police.

PURPOSE

The introduction of community policing in 97 selected municipalities is intended to bolster the public's trust in the police and lead to a reduction in crime.

ACTIVITIES

- Introducing community policing
- Training for police officers in the Roma language and culture
- Logistical and operational support for the police

TARGET GROUPS

Local populations and police in 97 Romanian municipalities

COSTS

Total project costs:
CHF 2.32 million
Swiss contribution:
CHF 1.97 million

RESPONSIBLE FOR PROJECT IMPLEMENTATION

Public Order Directorate of the Romanian Ministry of Administration and Interior

DURATION

2012–2015

SWISS ENLARGEMENT CONTRIBUTION

January 2015

www.swiss-contribution.admin.ch

Thematic fund civil society in Bulgaria and Romania

STRENGTHENING CIVIL SOCIETY IN BULGARIA AND ROMANIA



Promoting civil society activities is important for democracy in Bulgaria and Romania.

Switzerland funds social and environmental projects in Bulgaria and Romania for a total amount of CHF 24.8 million. The projects promote and enhance the involvement of civil society in the economic and social development of their respective countries.

NGOs have become increasingly important in Bulgaria and Romania in the past 20 years. But they still face major challenges, including very low membership and scant influence on political decision-making processes. Moreover, the financial and economic crisis of recent years has weighed heavily on the NGO sector in Bulgaria and Romania.

NGOS – THE KEY PLAYERS

The problems facing the NGO sector are particularly worrying, as socially disadvantaged groups rely on their support for social services. Furthermore, NGOs contribute to an active civil society, which in turn fosters democracy, a strong civil society having an important control function over state authorities.

Switzerland supports over 120 individual social and environmental projects in Bulgaria and Romania through its NGO fund. In certain cases, including

Swiss project partners enables the NGOs to benefit from expertise and experience specific to Switzerland.

Cooperating with organisations in the partner countries allows Swiss organisations to expand their networks and their specialist knowledge. What is more, Switzerland itself benefits from the NGOs' work, as it frequently has an international or even global impact, for example in the areas of migration or environmental protection.



A centre in Bulgaria partially funded by the enlargement contribution provides social services for traumatised families and children like Ivan, 7 years old.

ACTIVE CIVIC INVOLVEMENT IN ENVIRONMENTAL PROTECTION AND NATURE CONSERVATION

The NGO fund in Bulgaria and Romania comes under the thematic fund civil society which Switzerland uses to support other projects aimed at strengthening civil society, in addition to its support for the NGO funds. Most of these projects are in the area of environmental protection. In Bulgaria for example CHF 4.2 million goes to supporting the project entitled Linking Nature Protection and Sustainable Rural Development. The aim of this project is to get the civil society more actively involved in the sustainable development of agriculture, nature conservation and environmental protection. It involves working closely with Swiss partner organisations, for example Pro Natura and the *Réseau Echange Développement Durable (REDD)*, both of which bring invaluable experience to the table. The sustainable cultivation, distribution and marketing of organic produce also make up an important part of the project. The pro-

ject leader, Dr Stoilko Apostolov, sees the project as an important example of how nature conservation and sustainability can bring added value to local products and services.



Sustainable agriculture is promoted through the effective marketing of organic produce and local brands.

THE PROJECT IN BRIEF

OBJECTIVE

Strengthening civil society

THEME

Thematic fund civil society

COUNTRY

Bulgaria and Romania

PARTNERS

Swiss NGOs (in particular associations, federations and foundations)

STARTING POINT / BACKGROUND INFORMATION

An NGO sector emerged in the new EU member states after the collapse of the Soviet Union. But compared with the other EU member states this sector remains limited in size, especially in Bulgaria and Romania.

PURPOSE

- Strengthening civil society in Bulgaria and Romania
- Co-funding of over 120 individual projects

ACTIVITIES

- Exchange of expertise in specific areas through partnerships
- Exchange of visits to share experiences
- Joint evaluation and drafting of reports
- Creating long-term international relationships in the specialist area

TARGET GROUPS

Direct: NGOs in the respective countries

Indirect: civil society in Bulgaria and Romania

COSTS

CHF 24.8 million

(Bulgaria: CHF 8 million, Romania: CHF 16.8 million)

RESPONSIBLE FOR PROJECT IMPLEMENTATION

Bulgarian and Romanian NGOs, partly in cooperation with Swiss partners

DURATION

2011–2019

My dream's come true: I can finally deliver my farm produce directly to the people.



Ivan Atanasov, farmer and milk producer from Berkovitsa.

SWISS ENLARGEMENT CONTRIBUTION

January 2015

www.swiss-contribution.admin.ch

Annex 2:

Selected statistics

Table 1: Economic development

Country	Real GDP growth rate ¹				Purchasing power in relation to EU-Ø ²	Unemployment rate in % ³	People at risk of poverty or social exclusion in % ⁴
	2010	2011	2012	2013	2013	2013	2012
Bulgaria	0.7	2.0	0.5	1.1	47	13.04	49.3
Romania	-0.8	1.1	0.6	3.4	54	7.3	41.7
EU average	2.1	1.7	-0.4	0.0	100	-	24.8
Switzerland	3.0	1.8	1.1	1.9	158	3.2	17.5

Table 2: Human and social development

Country	Human Development Index (HDI) ⁵		Corruption Perceptions Index 2014 ⁶		Gini-Coefficient ⁷	Life expectancy (at the age of 1 year) ⁸
	2013		2014		2013	2012
	Score	Rank	Score	Rank		
Bulgaria	0.777	58	43	69	35.4	74.0
Romania	0.785	54	43	69	34.0	74.2
EU average	-	-	-	-	30.5	79.6
Switzerland	0.917	3	86	5	28.5	82.1

Table 3: Environment and energy

Country	Share of renewable energy in gross final energy consumption in % ⁹	CO ₂ emissions in tonnes per capita ¹⁰	Production of hazardous waste in kilogramme per capita ¹¹	Compliance with EU conservation guidelines (EU Habitats Directive) in % ¹²
	2011	2011	2012	2010
Bulgaria	7.1	3.82	1835 ¹³	94
Romania	14.1	6.58	33	82
EU average	11.1	7.04	202	89
Switzerland	21.3	5.07	-	-

¹ Source: Eurostat December 2014.

² Source: Eurostat July 2014. The volume index of GDP per capita in Purchasing Power Standards (PPS) is expressed in relation to the European Union (EU-27) average set to equal 100. If the index of a country is higher than 100, this country's level of GDP per head is higher than the EU average and vice versa. Basic figures are expressed in PPS, i.e. a common currency that eliminates the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries.

³ Source: *International Monetary Fund* IMF.

⁴ Source: Eurostat July 2014.

⁵ Source: UNDP. The Human Development Index (HDI) measures the quality of life and the level of development in a given country. The HDI takes three main factors into account: life expectancy, education and income. 156 countries are compared.

⁶ Source: Transparency International. Since 1995, Transparency International has been classifying 175 countries all around the world according to their level of corruption in the public sector, as perceived by the civil population. Based on surveys, this index evaluates the countries on a scale of 0 (very corrupt) to 10 (not corrupt).

⁷ Source: Eurostat December 2014. The Gini coefficient is a measure of inequality in a population (salary, income, standard of living, etc.). Its value ranges from 0 to 100. In the case of entirely equal distribution, the index value is 0. In the case of entirely unequal distribution – i.e. all income, except for one, is zero – the index value is 100.

⁸ Source: Eurostat July 2014.

⁹ Source: *International Energy Agency* IEA.

¹⁰ Source: *International Energy Agency* IEA, CO₂-Emissions from Fuel Combustion Highlights, Edition 2013.

¹¹ Source: Eurostat November 2014. Hazardous waste may be harmful to both health and the environment if it is not safely processed and disposed of. The indicator includes all waste that is classed as hazardous under the Waste Framework Directive (Directive 2008/98/ EC). Radioactive waste is not covered by this directive.

¹² Source: Eurostat July 2014. If the index stands at 100%, the proposals of the member states regarding the protection of natural habitats, animals and plants are sufficient according to the EU Habitats Directive.

¹³ The high figure is primarily due to the mining of copper ore in Bulgaria. However, Bulgaria also stores several thousand tonnes of toxic pesticides from the days of Soviet rule that are being disposed of in an environmentally friendly manner with the help of the Swiss contribution (CHF 19.9 million). Switzerland also helps Bulgaria with the proper disposal of hazardous household waste (see page 10).

Annex 3: Additional information



Information on the enlargement contribution in Bulgaria and Romania and in the EU-10 as well as selected project documentation is available at www.swiss-contribution.admin.ch in German, French, Italian and English.

Go to www.swiss-contribution.admin.ch (heading "Publications") for a summary of the enlargement contribution in the EU-10.

On the database of photos for the Swiss enlargement contribution (<http://multimedia.photopress.ch/>) you can view photos by country and project objective.



Websites of the National Coordination Offices in the partner countries:

- Bulgaria: www.swiss-contribution.bg
- Romania: www.swiss-contribution.ro

Websites of the enlargement contribution offices:

- Bulgaria:
www.swiss-contribution.admin.ch/bulgaria
- Romania:
www.swiss-contribution.admin.ch/romania

Additional information of Switzerland's European policies:

- www.eda.admin.ch/dea/en/home.html

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