PN-ABR-304

Deloitte & Touche

Romania: Privatization Public Awareness Project Phase I Deliverables

- *Initial Research (B)*
- *Strategy Planning*
- *Immediate Tactical Support*

Delivery Order No. 22
Romania Public Awareness

Project No. 180-0014
Contract No. EUR-0014-I-00-1056-00
Eastern European Enterprise Restructuring and Privatization Project

U.S. Agency for International Development
EUR/RME

June 30, 1993

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July 7, 1993

Gary Maher
EUR/RME
U.S. Agency for International Development
320 21st Street, N.W., Room 4725
Washington, DC 20523

Re: Contract No. EUR-0014-I-00-1056-00, Deliverable for Delivery Order No. 22, Romania: Privatization Public Awareness Project

Dear Mr. Maher:

In accordance with Article IV of the referenced delivery order, enclosed please find four copies of the following deliverables:

1) Phase I: Initial Research (A)

2) Phase I: Initial Research (B)
Strategy Planning
Immediate Tactical Support
Advisors Report

These deliverables were prepared by the Deloitte & Touche team working in Romania in conjunction with our subcontractor, Sawyer Miller Group, and consultant, Miles Wortman. If you have any questions concerning these deliverables, please call Lynne Damon at (202) 879-5386. Thank you.

Sincerely,

Kathleen J. Machen

Kathleen J. Machen
Operations Manager

Enclosure

Phase I: Initial Research Deliverables (B)

Phase I: Initial Research Deliverables (B)

Section 1:	Coalition/grassroots database: Status Report
Section 2:	Grassroots fact-finding report and presentation

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ROMANIA GRASSROOTS REPORT

June 15, 1993

Report prepared by:

Miles Wortman

Executive Summary and Recommendations

I. Project research indicates that a sizable percentage, perhaps a majority, continues to support the ideas of privatization and liberalization in Romania, but support is waning under bureaucratic and media attacks and because of the long economic recession. A public relations campaign is urgently needed both to reinforce this support as well as to explain to all Romanians the benefits of a market economy and privatization.

II. The key goal is to remove principals of the market economy and of privatization from the political theater of controversy towards one of acceptability which all political groups will accept. From a foreign perspective, this should be an easy task, given the weak, inefficient and wasteful nature of the Romanian productive apparatus and the impressive natural resources that Romanian possesses in its soil, minerals and educated population. However, the old guard continues to sabotage the move towards modernization.

III. A traditional public relations campaign is impractical because the major channel for information in Romania, the national television network, is controlled by groups antagonistic to the liberalization principals. Newspaper and radio organs are too fragmented and politicized to reach any sizable audience on their own.

IV. Therefore, a grassroots campaign is recommended work with local organizations in separate regions in Romania in order to galvanize support among those groups and leaders favorable to liberalization and expand this nucleus to other sectors. Optimally, separate and independent campaign weeks would be organized in every major population and *judette* center. These well-publicized regional campaigns would each be organized with separate groups and messages, given the conditions of each region. In some areas, seminars and meetings would be held, sponsored by local Chambers, industrial organizations, student and labor groups. Elsewhere, the National Agency for Privatization and/or the Private Ownership Fund would take a large role. In some areas, independent radio and television would be employed more. The campaign would identify and bring together the strongest supporters of liberalization and use them with the strongest, local communication channels.

V. Because independent grassroots organizations of the type that exist in western societies, or in developing nations in Africa and Asia, scarcely exist and are only beginning to form in Romania, a grassroots campaign in support of privatization and a market economy must be based upon quasi-public and quasi-private groups that support liberalization. To run a strong, nation-wide campaign, linkages must be made between leaders in public office and businessmen and women, parastatal managers working towards buyouts of their firms, student groups. All groups favorable to liberalization should be included. Government agencies, politicians, labor leaders and any other individuals and organizations willing to sign on, and provide resources for the campaign should be welcome.

Executive Summary - 2

VI. Among groups and individuals identified for a grassroots campaign are local offices of: the Prefectures, the National Agency for Privatization, the Private Ownership Funds, the Romanian Development Agency, the industrial and agricultural Patronats, the labor unions, the Chambers of Commerce, Entrepreneur Associations, Judette Councils, the Mayor's Office, Small and Medium Enterprise Centers, Professional Associations, Academic Associations, radio, newspaper and television media, informal business organizations, the Soros Foundation and UNIDO. A specific map of most grassroots groups is presented below. The relative support for liberalization and privatization in each of these groups varies and thus, care must be taken to select supporters on a region-by-region basis.

VII. Strict care must be maintained so that the messages of liberalization and privatization are not usurped by political, business or other groups for their own ends. Like most of the nation and government officials, most organizations remain poorly informed of liberalization, privatization and economic trends. To avoid misinformation or political machinations, the public relation campaign must develop the "messages" and present them with the support of local leaders, rather than having independent individuals create their own "spin" on the process.

VIII. Identification with USAID will reinforce the strength of the campaign, given the positive image of the United States in most areas of Romania. Nonetheless, the campaign is a Romanian project and great care must be taken to insure that technical support does not supplant local participation and leadership.

IX. A four-week analysis of Romanian grassroots organization has revealed little commonality between regions in Romania. Because of this, a national framework for a grassroots campaign would be difficult to devise. campaigns must be organized on a region-by-region basis. In some areas, Chambers of Commerce represent effective voices for the private sector and are working to develop training and other skills for local businessmen. Elsewhere, they are corrupt tools for a few local interests to garner wealth. Some Prefects -- appointed by the national government -- are strong supporters of liberalization and recognize it as inevitable. They will work with the campaign. Others are unalterably opposed.

X. Strong regional tendencies affect support for liberalization and privatization. Independence of action away from the distant national government is a key factor in the west and north of the country, especially in Timisoara, Arad, and Cluj. In these areas, politicians and high government managers of all tendencies will work closely with the campaign. Elsewhere, support is more mixed. In Brasov, Constanta, Suceava, Baia Mare and Iasi, local political leaders and groups are favorable whereas national representatives are more opposed. Opposition in Craiova and Bacau is very strong and/or corrupt: these areas should be avoided for a regional campaign.

ROMANIA GRASSROOTS REPORT

Background

In November 1993, a team of technicians from Sawyer, Miller and Deloitte Touche assessed the possibility to perform an effective public relations campaign in support of privatization in Romania. At that time, it was determined that a television campaign might not succeed because of political resistance within the sole national network, controlled by the government, and because of a lack of resources. A decision was reached to attempt to two-prong approach: 1) To develop a network of interest-groups around the nation, grassroots organizations, that would support and provide assistance to a public relation program in support of privatization; and 2) To develop a program to use television resources in the event that an arrangement could be made with television stations.

Initially, the public relations campaign was to aim primarily at promoting the privatization voucher scheme, as developed by the National Agency for Privatization (NAP). Subsequently, the project has expanded its focus to the market economy, to provide information on how private enterprise works and the benefits to be gained there of.

The conclusions of this study are based upon on-site investigation of grassroots and political organizations by Catalina Stan, Steven Johnson, Miles Wortman and officials of the NAP, done over a twenty-five day period in Bucharest, Constanta, Giurgiu, Craiova, Timisoara, Arad, Brasov, Bacau, Iasi, Suceava, Cluj and Baia Mare. Interviewed were officials and members of government and private organizations including Prefectures, Mayor's Office, Council Presidents, Chambers of Commerce, Entrepreneurial Associations, Business Associations, informal business groupings, media groups, student organizations and independent private businesses.

As part of the investigation, contacts were made with leading officials of these associations and informal linkages established that will enable the forthcoming public relations campaign to use their offices, resources, and networks.

Overview

The movement towards democracy in Romania is four years ago. During that time, political organizations and private enterprise have grown rapidly. A pluralistic political system has emerged with different political parties controlling different levels of government. In the meantime, the old guard continues to dominate the huge state bureaucracy that influences much of the economic life of the nation. The Romanian people, unsure of their future, appear to vacillate between support for the security of the old system and the economic promise and political freedom promised by the new. The sole national television network, under the President's control, is a propaganda machine that maintains an ongoing propaganda attack against private business, arguing that mini-scandals and small customer frauds epitomize capitalism.

The macroeconomy is frail and short of capital; most available resources are devoted to shoring up deficit-ridden state enterprises. A sizable black market has arisen that blends in with the new private sector, attempting to gain advantage of the new freedoms but to avoid the confiscatory tax regime that renders private enterprise difficult. A clear generational shift is also taking place, as younger managers replace the old guard in many areas of government and productive enterprises.

independent grassroots organizations of the type that exist in western societies, or among developing nations such as in Africa and Asia, are only beginning to take shape in Romania. Fifty years of Socialist rule badly damaged individual initiative; it also harmed the tendency by interest groups to organize. Labor unions became synonymous with the ruling structure; agricultural cooperatives meant state collectivization; Chambers of Commerce were organizations to coordinate state enterprises.

Where they have organized, over the past four years, Romanians have devoted most of their efforts to the political theater, in the organization of political parties. But since most sectoral interest groups have yet to be privatized, interest-group politics have been slow to emerge. Where they have organized, many lack human and capital resources, or are, in reality "corrupt" agents for a few entrepreneurs attempting to gain advantage through the political arena. The small grassroots organizations that now exist are mostly unstable, both functionally and financially.

While western-style grass-roots organizations have been slow to organize, there does exist a large number of quasi-public and quasi-private groups that will serve as an effective network for a public relations campaign. Out of the ashes of the old regime has emerged a number of effective offices, some with government sponsorship, that are representing localities and private sector initiatives. Youthful and dynamic new officials, some from the ruling party and others from the opposition, are using their position to organize for interest groups.

Thus, the map of grassroots organizations is spotted with some small, private groups, some quasi-public institutions and some effective officials who represent local interests. In those areas where private enterprise and political pluralism is strongest, the west and Transylvania, interest group organizing appears to be growing well. In other localities, they are less strong.

Only three years after the revolution, the nation is searching for an economic and political model that will best serve its interests. Similarly, at the local level, grassroots organizations are struggling to emerge and influence the political and economic life of the nation.

In conclusion, these broad generalizations have emerged from this study:

1. **The strongest grassroots organizations receive outside financial support.** Chambers of Commerce have built-in subsidies through legislation, given the responsibility to register all businesses. Other organizations are quasi-official organs that are serving to galvanize grassroots movements.

2. **Independent, grassroots groups representing specific interest-groups have yet to emerge.** The western model of freely organized organizations does not yet exist in most areas in Romania, because private business is still weak and in many areas, *sub-rosa*, fearful of government reprisal. Government organizations and entrenched bureaucracies frequently fight against independent interest groups. Labor, farm, student and professional organizations are still closely tied to state groups, for the most part.

3. **Nonetheless, many quasi-state organizations have taken on the mode of being grassroots organizations, representing interest groups.** Members are using regional and municipal organizations to further specific goals, such as privatization, business interests, and regional concerns.

4. **Substantial public and private organizations are eager and willing to work with a grassroots campaign to promote a liberal market economy.** They will devote time and resources to assist in dispersing printed material and organizing seminars.

5. **Like most of the nation and government officials, most organizations remain poorly informed of liberalization, privatization and economic trends.** A recent, EBRD report on Romanian privatization urged, as its first suggestion to "increase general awareness as well as special interest groups and the public of the workings of a modern economy and, secondly, to improve the communication between the governing and the governed."

The Structure of Grassroots Groups

Under the old system most organizations devolved their authority from the national government in Bucharest, like a wheel, with the hub in the capital and communication, finance and power dispersed outward through the struts to the rim. Today, the wheel is broken but not destroyed, some struts remain, many are splintered and some no longer exist. Where national organizations remain in place, their power is now more based on a combination of local and national support, indeed, they must curry favor with localities in order to survive. Some organizations have become regional in nature rather than national. But generalization is impossible, because each national organization has varied strength, influence and policies in each locality. In some areas, the regional chapter is strong and enjoys support of local constituents. In others, the structure barely exists. In still others, the office serves as a sinecure for a political hack.

Chambers of Commerce represent a case in point. Whereas the national Chamber of Commerce in Bucharest pretends to represent the interest of all the local Chambers, the regions refuse to recognize the capital. Some have formed into an organization of regional organizations while others are moving ahead independently. Some have received outside support, from Italy, Germany and Britain and are very dynamic. Some only serve a small number of businessmen, who use the Chamber's financial resources for their own purposes, while others have adopted traditional Chamber activities. In between, there is a large gray area.

The greatest regionalism and therefore the greatest grassroots and private sector strength, is in the west and in Transylvania. The local Chambers, the regional offices of the National Agency for Privatization (NAP) and the Private Ownership Funds (POFs), entrepreneurial groups, business associations, agricultural cooperatives, student organizations and media are working in cooperation to advance local interests and to work in the manner of traditional grassroots organizations. At the other end of the extreme are those areas that remain loyal to the old system, such as in Craiova, where the Chamber of Commerce is barely functioning and the POF has not yet been organized.

What follows is a general map of organizations, offices and informal groupings that may be used to assist in a national public relations campaign in support of privatization and liberalization. However, it is the individuals, rather than the organizations, per se, that will determine the degree of cooperation. Because grassroots and all other organizations are in their formative stages, officials have broad areas of discretion and will devote the resources of their office to the campaign if they generally agree with the its aims. Because of the apolitical nature of the campaign, political parties are not included.

National Organizations with Regional Offices

While most of these organizations are loyal to national party, many represent a liberal wing and understand the need for reform. They represent at least a sizable minority of the Romanian participation. Their participation in a grassroots campaign should be sought and encouraged.

Prefecture: The local administrator appointed by the national government, from the ruling party but from the region.

National Agency for Privatization (NAP): The NAP maintains regional offices in most metropolitan areas that are meant to serve to coordinate the privatization campaign, to assist in management buy-outs (MEBOS), and to work with POFs. Staffed with officials from the locality, they are a strong resource for networking and coordination. Many, but not all, of these offices are eager to assist in the public relations campaign.

Private Ownership Funds (POFs): There are five POFs meant to coordinate the management and share ownership of small and medium sized enterprises. The POFs are centered in Arad, Brasov, Bacau, Bucharest and Craiova but maintain regional offices in the regions they administer. Each POF also has responsibility over one specific sector. Arad controls wood and furniture industries, Brasov, tourism and shipping, etc.. The level of capacity and preparedness differs between each agency. The Arad POF is, by far, the most advanced in its operations while the Craiova office has not yet been established. Part of the function of the POFs is to provide sufficient information to the populace as a whole and to the workforce, in particular, to enable them to participate knowledgeably in MEBOs and the voucher schemes. As such, the POFs should be a key point for coordination in a public awareness campaign.

Romanian Development Agency (RDA). The RDA is responsible for promoting international investment in local business as well as working to develop business skills. They have offices and centers in most major cities and, as with the other government organizations, their capability and willingness to participate, varies greatly.

Patronats: Industrial organizations that represent state industries, by and large, in Bucharest and that administer state industries in the regions. They represent industries in wage and price negotiations. They are intricately involved in decisions relating to sourcing, from state firms, as well as sales quotas for critical industrial materials. As such, they can take critical decisions, working to prop up state enterprises through the supply mechanism. Among other industries, individual patronats represent industries involved in agriculture, textiles, woodworking and furniture, chemicals, oil, mining, transportation, etc. etc.

Labor Unions: Syndicates theoretically represent the rank and file in labor negotiations. Under the new regime, they are closely tied with the old order and play an intricate part in political decisions and demonstrations. Their management owes its tenure to the national government. Whereas in the past, syndicates were as much loyal to government as to workers, their role has now been transformed to a more western role. Workers, in deficit-ridden state enterprises, fear for their jobs and for their wages. On the other hand, workers in small firms that are represented by the syndicates, are in opposition to the official line and are working to push for price and wage liberalization.

Chambers of Commerce and Industry-1: A portion of the function of the local chambers is to register all firms for the national government. The chamber does not have a regulatory function; rather, it is merely a bookkeeping office. In addition, the Chamber assists business in filling out forms and transmitting applications to the appropriate national authorities. The National Chamber of Commerce is supposed to coordinate all functions for the local Chambers. But its offices, in Bucharest, also serve as the offices for the Bucharest Chamber. There is strong regional resentment against any initiative coming from the central office and, in fact, any cooperation with the national Chamber should be limited to the Bucharest office alone.

Entrepreneurs Association. Under the same 1990 legislation that established independent Chambers of Commerce and Industry, Entrepreneurs Associations were authorized to provide a force for small businessmen. Implementation has been difficult, however. Whereas the Chambers do provide the Association with office space and some support, they lack the wherewithal to develop into a strong organization. Also working against them is the general tendency of entrepreneurs to be suspicious and to work alone, outside of organizations.

Regional Offices

Judette (Province) Councils - Elected officials that oversee regional affairs. They are frequently not of the same party as the prefect but must work closely with him/her in local matters. They can be important contacts to assist in the organization of the public awareness campaign.

Local Offices

Mayor's Office - The Mayor is elected and is, more times than not, in opposition to the national government and therefore to the prefect. While municipal governments, to date, lack much financial resources (because all fiscal income goes to the national government), they are the voice of local government and serve to pressure Bucharest on local interests.

Chambers of Commerce and Industry-2: The same Chambers as listed above work to enhance member's business. They provide information as to markets, run trade fairs and offer training seminars. They work closely with other local offices in transmitting information on business trends in the area. All Chambers have a weekly or month publication, some have limited circulation while others are provided with local newspapers.
There are 38 "territorial" Chambers of Commerce, many of which will work closely with a public relations campaign.

Small and Medium Enterprise Centers. In many major cities, international agencies are sponsoring these centers for small businessmen. Some of the centers have good networks for a public relations campaign. The two major efforts are sponsored by the United Nations Center for the Promotion of Small and Medium Private Enterprises and the USAID training project under the auspices of Washington State University.

Professional Associations: All professional groups have independent associations that represent their concerns to Bucharest. Under the old regime, lawyers, doctors, accountants and others were, *per force*, linked to the government. Today, these groups are among the leaders in promoting change and while maintaining their link to the capital, have shifted their focus much more to local issues. As such, they can play a critical role in the public relations campaign.

Academic Associations: As with professional groups, academic associations have split away from the old guard and have become independent forces for action. In the major academic centers (Bucharest, Timisoara, Iasi, Cluj, Brasov), they play an important role in both the political and technical sphere. Many academic associations have developed close associations with Chambers and work to train businessmen. The national Association of Economists, which brings together professionals from all political opinions, will be a key resource in any public relations campaign, providing manpower as well as introductions to other interest groups. In addition, each academic institution has local organizations which may be helpful to the campaign. In Timisoara, for example, the AIESEC program is developing.

Informal Business Groups. Whereas most of the new businessmen do not participate in formal organizations, they are linked through informal methods, be its trade, capital or family. This is particularly true in Timisoara, Arad, Cluj and Baia Mare where officials of the NAP, POF, Chamber and municipal government are able to identify some of these groups.

The Soros Foundation For An Open Society. The Soros Foundation maintains offices in most major cities in Romania. It is willing to use its auspices and networks to cooperate in a public relations campaign.

Media

The Romanian media is highly politicized. Every organ, be it television, radio or newspaper, represents the political view of its owner and does not vary from that view. This presents a public relations campaign with difficulties, because it has difficulty reaching the very audience it seeks to influence, that political view that is skeptical of liberalization and privatization.

A key problem facing the media is the lack of training and education of the news staffs. Even when facts are presented, reporters tend to misunderstand their significance and misreport the issue. However, this is not a problem limited solely to Romanian media. Nonetheless, this lack of preparedness, makes public relations programs difficult to develop because of the poor filter that the reporters present.

Television. The national television network is controlled directly by the Office of the President in Bucharest. Its bias has not been favorable to the market economy. It is willing to air a public relations campaign but only through paid advertising. This is both expensive and impossible, because of legal restrictions.

Local, independent television stations do exist and are in the process of forming into a network. But they are new and extremely undercapitalized. While they are likely to play a critical role in the future, they are still in the formative stage and are not likely to leave it during the duration of this contract. Most of these stations broadcast a few hours a week and only at unpopular times, very late at night and on weekends, hours when the national television channel is not using its transmitter.

Radio. Radio is accessible but the market is highly fragmented into many stations and many regions.

Newspapers. Romania is a nation with many newspapers. Most cities have eight to ten separate, daily publications and another five to ten weekly journals. As with other media, the newspaper prints the political position of its ownership. For national news, the newspaper rely on Rompress, the national, and government controlled, news agency.

AGENDA

I. CITIES

II. OFFICIALS INTERVIEWED

III. OVERVIEW

IV. A NASCENT GRASSROOTS STRUCTURE

V. DEVELOPING A SUITABLE STRUCTURE FOR A GRASSROOTS CAMPAIGN

A MAP OF GRASSROOTS STRUCTURES

I. CITIES

BUCHAREST	CONSTANTA
GIURGIU	CRAIOVA
TIMISOARA	ARAD
BRASOV	BACAU
IASI	SUCEAVA
CLUJ	BAIA MARE

II. OFFICIALS INTERVIEWED

PREFECTURES
MAYOR'S OFFICE
COUNCIL PRESIDENT
CHAMBERS OF COMMERCE
ENTREPRENEURIAL ASSOCIATIONS
BUSINESS ASSOCIATIONS
INFORMAL BUSINESS GROUPINGS
MEDIA GROUPS
STUDENT ORGANIZATIONS
INDEPENDENT PRIVATE BUSINESSES

IIIa. OVERVIEW

1. FRACTURED POLITICAL LANDSCAPE:
   THE ITALIAN MODEL

   - MULTITUDE OF POLITICAL PARTIES
   - REGIONALISM

2. DOMINANT STATE BUREAUCRACY,
   STRUGGLING TO MAINTAIN POWER

3. AN UNSURE, VACILLATING
   BODY POLITIC

   - SUPPORT FOR THE SECURITY OF
     THE OLD SYSTEM

     VS

   - THE ECONOMIC AND POLITICAL
     FREEDOM OF THE NEW SYSTEM

IIIb. OVERVIEW

4. MOST INDIVIDUALS AND ORGANIZATIONS REMAIN POORLY INFORMED OF LIBERALIZATION, PRIVATIZATION AND ECONOMIC TRENDS

5. A CLEAR GENERATIONAL SHIFT IN POWER

6. A FRAIL ECONOMY

CAPITAL-STARVED, DEFICIT-RIDDEN,
STATE BUSINESS DOMINATE PRODUCTION
A GROWING BLACK MARKET OF
LEGITIMATE/ILLEGITIMATE BUSINESSES

WHAT IS CORRUPTION?

IV. A NASCENT GRASSROOTS STRUCTURE

THE TROUBLES:

1. LABOR UNIONS TIED TO THE GOVERNMENT

2. AGRICULTURAL COOPERATIVES AND COLLECTIVIZATION

3. FEW INTEREST GROUP POLITICS

4. GENERAL SUSPICION OF NATIONAL ORGANIZATIONS

V. DEVELOPING A SUITABLE STRUCTURE FOR A GRASSROOTS CAMPAIGN

1. QUASI-PUBLIC AND QUASI-PRIVATE GROUPS

2. SMALL PRIVATE GROUPS

3. EFFECTIVE OFFICIALS WHO REPRESENT LOCAL INTERESTS

VI. THE STRUCTURE OF GRASSROOTS GROUPS

A. THE OLD SYSTEM: THE WHEEL WITH BUCHAREST AT THE HUB

POWER DISPERSED OUTWARD THROUGH THE STRUTS TO THE RIM

CAPITAL
COMMUNICATION
FINANCE
SUBSIDIES

B. THE CURRENT SYSTEM: A BROKEN BUT <u>NOT</u> A DESTROYED WHEEL

SOME AUTHORITY IN BUCHAREST

SOME ORGANIZATIONS EVOLVE INTO A COMBINATION OF LOCAL/NATIONAL POWER

SLIDE 10

VI. STRUCTURE OF GRASSROOTS GROUPS-2

SOME ORGANIZATIONS HAVE BECOME REGIONAL IN NATURE

STRONG REGIONAL VARIATIONS

GRASSROOTS ORGANIZATIONS STRONGEST IN WEST AND TRANSYLVANIA

A MAP OF GRASSROOTS STRUCTURES

I. NATIONAL ORGANIZATIONS WITH REGIONAL OFFICES

PREFECTURE

NATIONAL AGENCY FOR PRIVATIZATION
NAP

PRIVATE OWNERSHIP FUNDS POFS

ROMANIAN DEVELOPMENT AGENCY
RDA

PATRONATS

LABOR UNIONS

CHAMBERS OF COMMERCE & INDUSTRY-1

ENTREPRENEURS ASSOCIATION

II. REGIONAL OFFICES
JUDETTE PROVINCE COUNCILS

A MAP OF GRASSROOTS STRUCTURES(2)

III. LOCAL OFFICES

MAYOR'S OFFICE

CHAMBERS OF COMMERCE & INDUSTRY-2

SMALL AND MEDIUM ENTERPRISE CENTERS

PROFESSIONAL ASSOCIATIONS

ACADEMIC ASSOCIATIONS

INFORMAL BUSINESS GROUPS

THE SOROS FOUNDATION FOR AN OPEN SOCIETY

IV. MEDIA

TELEVISION
RADIO
NEWSPAPERS

Phase I: Strategy Planning Deliverables

PHASE I: STRATEGY PLANNING DELIVERABLES

Section 1:	Detailed strategy, messages and implementation plan
Section 2:	June benchmarking agenda and context document

GOOD MORNING, ROMANIA!

STRATEGY, MESSAGES AND IMPLEMENTATION PLAN

PRESENTED TO THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

SAWYER MILLER/ROBINSON LAKE
DELOITTE & TOUCHE

JUNE 1993

OVERVIEW

- This presentation synthesizes the findings of Phase I of the Romanian Privatization Public Awareness campaign:
  - 12 focus groups conducted across Romania
  - A national public opinion survey
  - Grassroots fact-finding missions to 12 cities
  - Secondary research and networking

OUR THEME: GOOD MORNING, ROMANIA!

- It is a new day for Romania, and Romania has a chance to begin anew to build a market economy with:

  - Opportunity
  - Prosperity
  - Hope
  - Freedom

- Now is the time to involve Romanians, by awakening their spirit of entrepreneurship and consumerism

SITUATION ANALYSIS

MANY CONDITIONS FAVORING CHANGE

- Romanians generally favor private enterprise and a return to a market economy
- Romania is a nation with many long-term assets:
  -a large market
  -an educated population
  -access to Rhine-Main-Danube river connection
  -strategic port on the Black Sea
  -a wealth of natural resources
- Despite its political past, Romania is beginning to enjoy increased international support (political and financial)
- It is a nation with a distinct pro-American sentiment

SITUATION ANALYSIS

THE ECONOMY IN A FREE FALL

- The Government's policies are undermining the country's chances for true economic reform:
  - Increased state intervention
  - Legal and political obstacles to privatization and private initiative
- Romania's budget deficit is increasing and inflation remains unacceptably high
- Private sector employment increased by 130,000 jobs in the first few months of 1993, but large scale job dislocation is certain if privatization of state enterprises moves forward
- Romanians are finding it increasingly difficult to manage and are experiencing increasing financial hardship, poverty and emotional exhaustion

SITUATION ANALYSIS

THE POLITICAL SYSTEM: GRIDLOCK

- Vacaroiu government is internally conflicted not over *whether* reform should proceed quickly or slowly,

  but over whether it should proceed at all...

- There is continued political interference in agencies tasked with privatization

- Most agencies tasked with reform policies and privatization are dominated by old mentality and engaged in power struggles rather than meaningful policy making

SITUATION ANALYSIS

CORRUPTION: BAD AND GETTING WORSE

- Corruption is a growing concern
- Corruption is deeply rooted in society and is widespread.

"Corruption starts at the top. We haven't seen one case where somebody important has been punished."

"In theory, privatization may reduce corruption, but in reality corruption will still exist because private enterprises will still have to use corrupt practice to deal with the government."

"There is no middleman between the buyer and the seller, so there is corruption instead."

"Some people are getting rich overnight, but not by honest work."

" We've always had corruption and we always will."

CHANGE: HOPE, DISILLUSIONMENT AND FEAR

- Romanians still have some positive expectations about change (to a market economy, reform, etc.) and personal aspirations. They are receptive to information that might help them to realize these goals

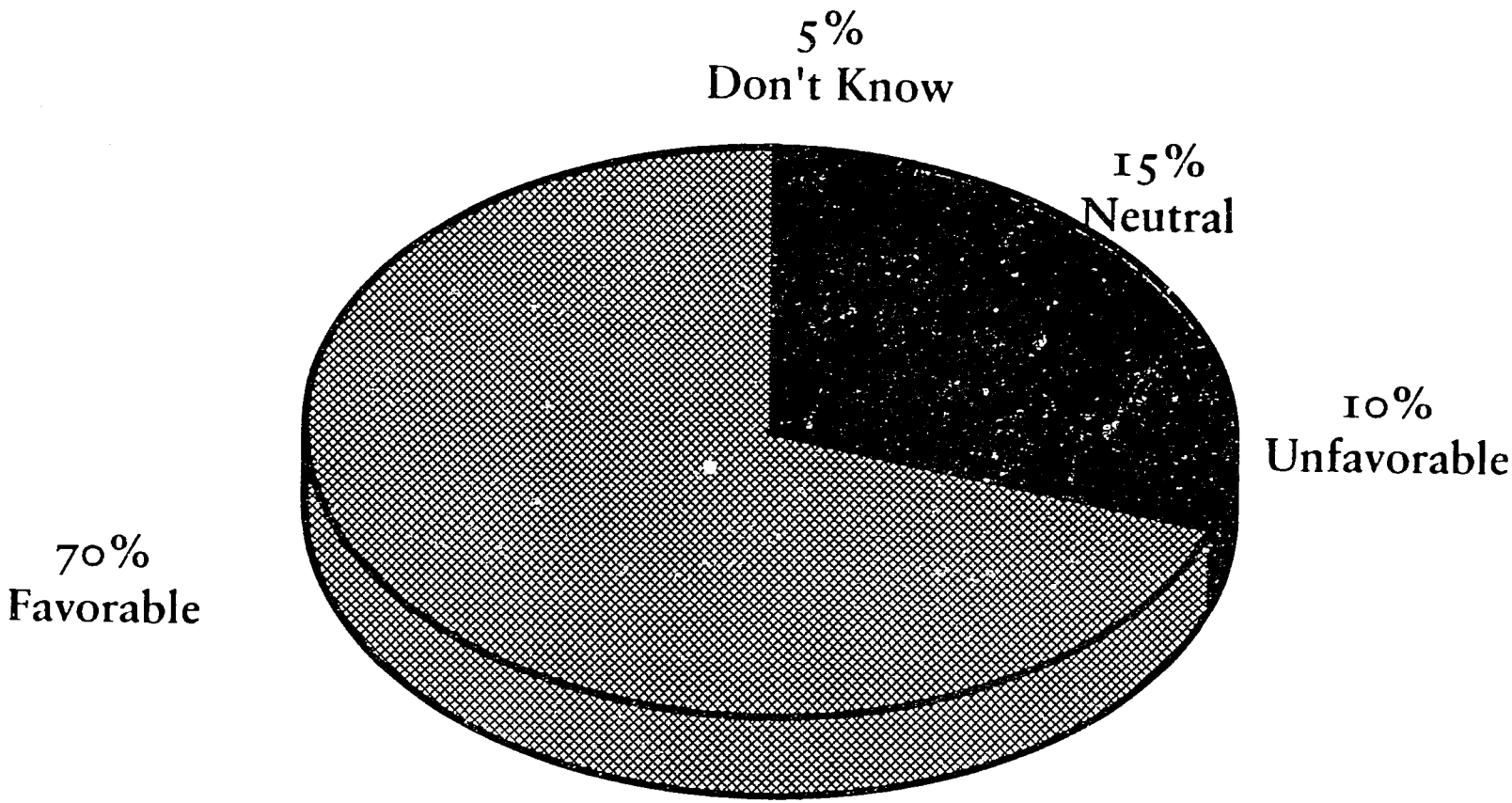
but...

- Daily experiences are increasingly negative-- economic conditions (unemployment, inflation, corruption) are approaching intolerable levels
- People feel they cannot return to the old system-- yet change is not apparent so far, and there are few positive results
- There is widespread disillusionment with the rhetoric of "reform" and "change," and few people expect positive change to come from the current government

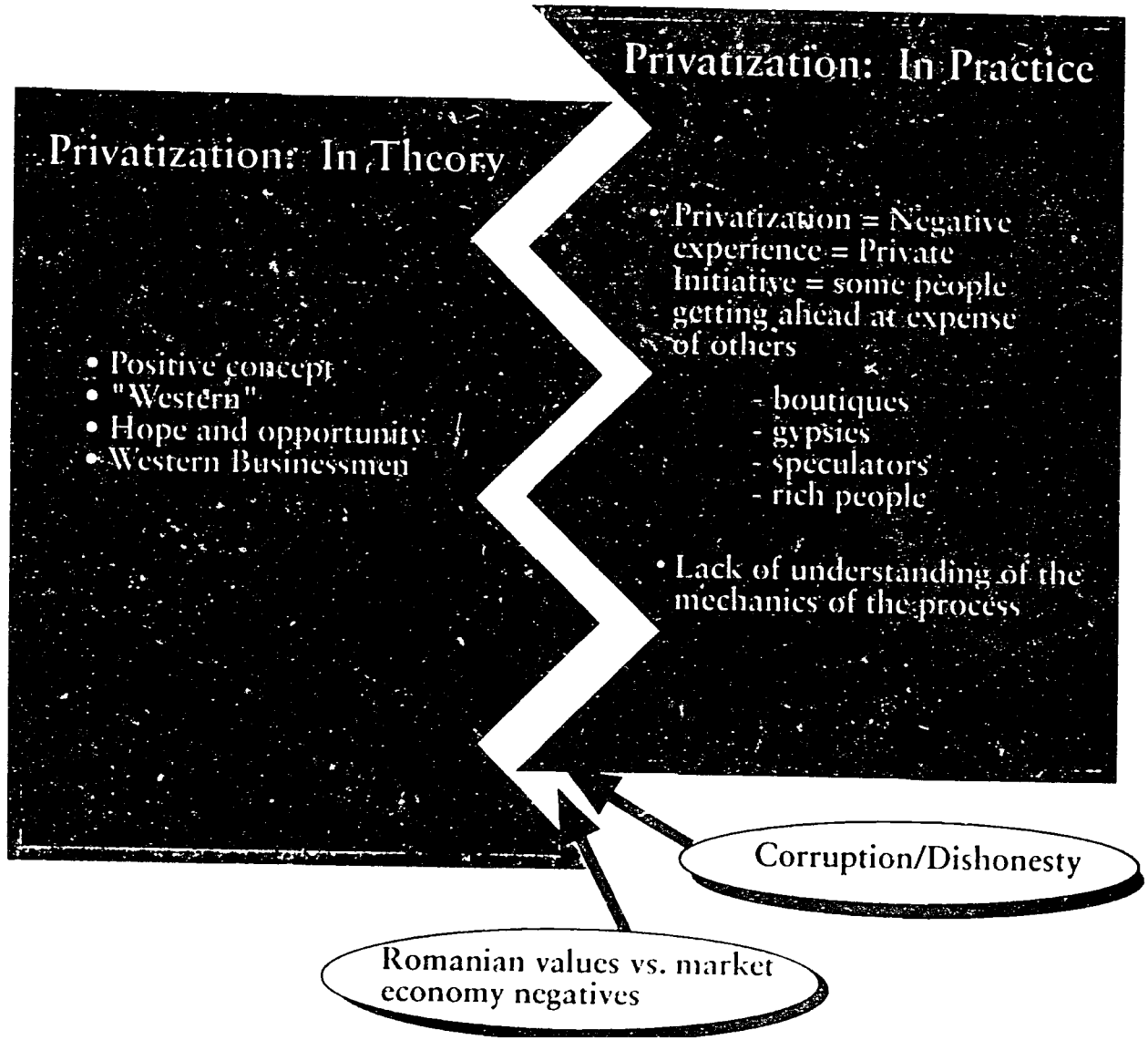
  "*We do not expect change to come from the politicians.*"

  "*Somewhere inside the circles of power are people who are not interested in making things better.*"

PRIVATIZATION: THE ABSTRACT CONCEPT



PRIVATIZATION: THE DISCONNECT



PRIVATIZATION: THE DISCONNECT

- Many Romanians have positive views of privatization in the abstract

  "It's a very good thing: Everyone takes care of his own property."

  - Privatization = Westernization -- the only way for positive change to come to Romania

- Privatization is seen as inevitable

  "We are scared of privatization, but to oppose it is only to buy time against something which is inevitable."

  "Privatization is an unknown, but it offers us some hope. It's our last chance."

- At a deeper level, there is confusion about what privatization really means and little understanding of the mechanisms by which it is to occur

- Official information about privatization is overwhelmingly negative and does not provide basic, truthful information Romanians seek

PRIVATE INITIATIVE: MIXED FEELINGS

- Many Romanians feel that private initiative or "becoming private" is something many would aspire to...

"It's the only way to do it"

- Business Owner

- They also see many barriers:

  - Lack of know-how and capital
  - Government interference

- And, in general, their personal experience with private initiative is negative

  - Gypsies, Turks and Arabs running boutiques
  - Corruption
  - Some getting ahead at the expense of others

Attitudes Toward Privatization/Market Economy by Group

	Group 1: "Pro"	Group 2: "Uncertain"	Group 3: "Con"
Demographic Description	young urban educated	some workers in state enterprises the rest of the population peasants/rural population	some workers in state enterprises older people (some urban and rural lower educational level
Attitudes Toward Privatization	likely to become privatized/work in private enterprise most likely to support privatization lingering concerns - how privatization is taking place (gypsies, corruption) actively want to know more believe that privatization is likely to solve Romania's problems	"like" the abstract idea of privatization but defacto oppose it negative experiences - gypsies - boutiques - profit as "unseemly" - speculators clash with beliefs	oppose privatization - afraid of consequences (unemployment, price increases, etc.) - goes against deep beliefs do not intend to privatize/work in private enterprise

SITUATION ANALYSIS

FOREIGN SUPPORT: DISAPPOINTMENT

- Relatively low foreign investment to date

  - Legal barriers to foreign ownership and other practical obstacles

  - country's image abroad is still tainted

- United States continues to withhold M.F.N. despite improvements in human rights, free elections, etc.

So, What Is To Be Done?

We should be trying to build awareness of and support for the Government's privatization policy and the NAP

unfortunately . . .

- Government's privatization policy is unclear and NAP's future is uncertain

and . . .

- Public is ambivalent about privatization

so...

Our Mission Now:

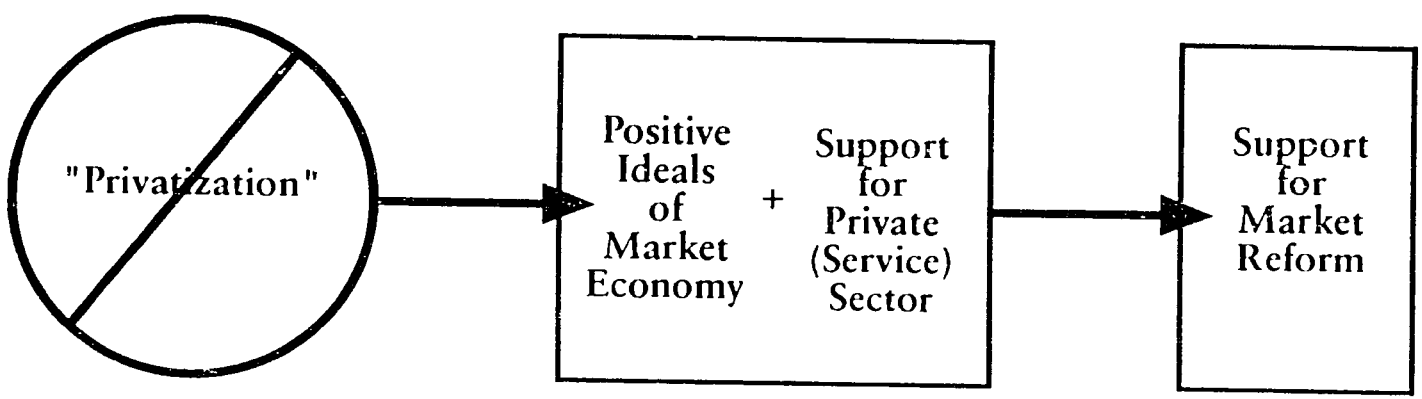
We will continue to try to work with the Government,

but at the same time . . .

Expand definition of "privatization" to include private initiative and provide the Romanian people with clear, truthful, positive information about the process so they will better understand the process, support it and get involved.

OUR STRATEGY

- Reposition "privatization" and private initiative by broadening the public's definition
- Equate the ideals behind a market economy with:
  - freedom, hope and opportunity
- Educate, excite and mobilize grassroots forces around an emerging private sector in support of market reform



BEST AVAILABLE COPY

MESSAGE

The Spirit of Private Initiative and Consumerism

Private Initiative	Consumerism
Target Audience ← young, urban, educated →	
• small entreprenuers • private sector employees • chambers of commerce, etc.	• all Romanians as potential consumers • shoppers/customers/clients • employees in problematic state enterprise
Message	
Inspirational • get up, get going...you are the engine for positive economic change • positive role models/success stories • opportunity, prosperity, success will come from market economy	Inspirational • get up, get going...be the voice for the market economy • market economy will empower you and allow you to have control over your life • emerging private sector will fill your needs
Practical • specifics of how to become privatized - starting own business - credit and other obstacles - foreign investment/partnerships	Practical • the workings of a market economy and privatization: its necessity and inevitability for Romania's growth • consumer awareness = empowerment • competition will bring lower prices • quality and service matter • demand choice and variety • don't encourage the black market by buying

Our Campaign: A National Campaign with Regional Focus

- "Centralized" campaign that is broadly targeted is not the best approach
  - lack of support in Bucharest
  - must work through coalitions at grassroots level and leverage support among key groups in key areas
- Instead, a moving regional campaign
  - coalition of key groups working at grassroots level
  - coordinated, directed and supported by moving "headquarters" -- a campaign van to distribute materials and perform other tasks on the campaign trail
  - emphasis on easily replicable events as focal points and catalysts

Goal: empower Romanians to get the message out through their own efforts across the country

OUR GRASSROOTS COALITION

Coalition-building effort will target a wide variety of quasi-public/quasi private groups, small private groups, and elected officials who represent local interests:

• National organizations with regional offices - NAP - Private Ownership Funds (POF's) - Romanian Development Agency (RDA) - Patronats - labor unions - chambers of commerce and industry - entrepreneurs association	• Local offices - Mayor's office - chambers of commerce and industry - small and medium enterprise centers - professional associations - academic associations - informal business groups - Soros Foundation - prefects - A.I.S.E.C.
• Media - television - radio - newspapers	• Regional offices - judette councils

THE CAMPAIGN TRAIL

Priority I Targets

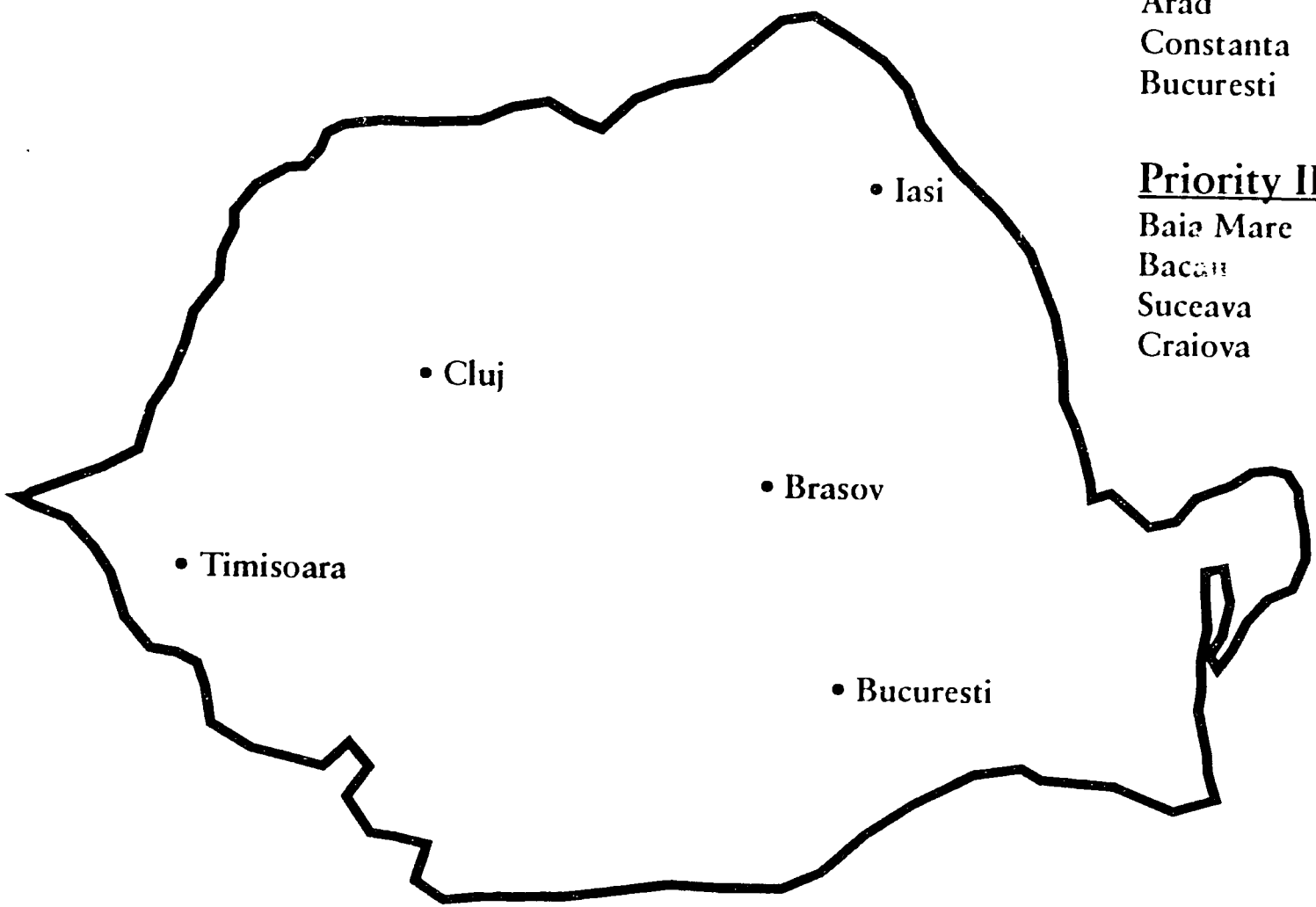
Timisoara
Cluj
Iasi
Brasov

Priority II Targets

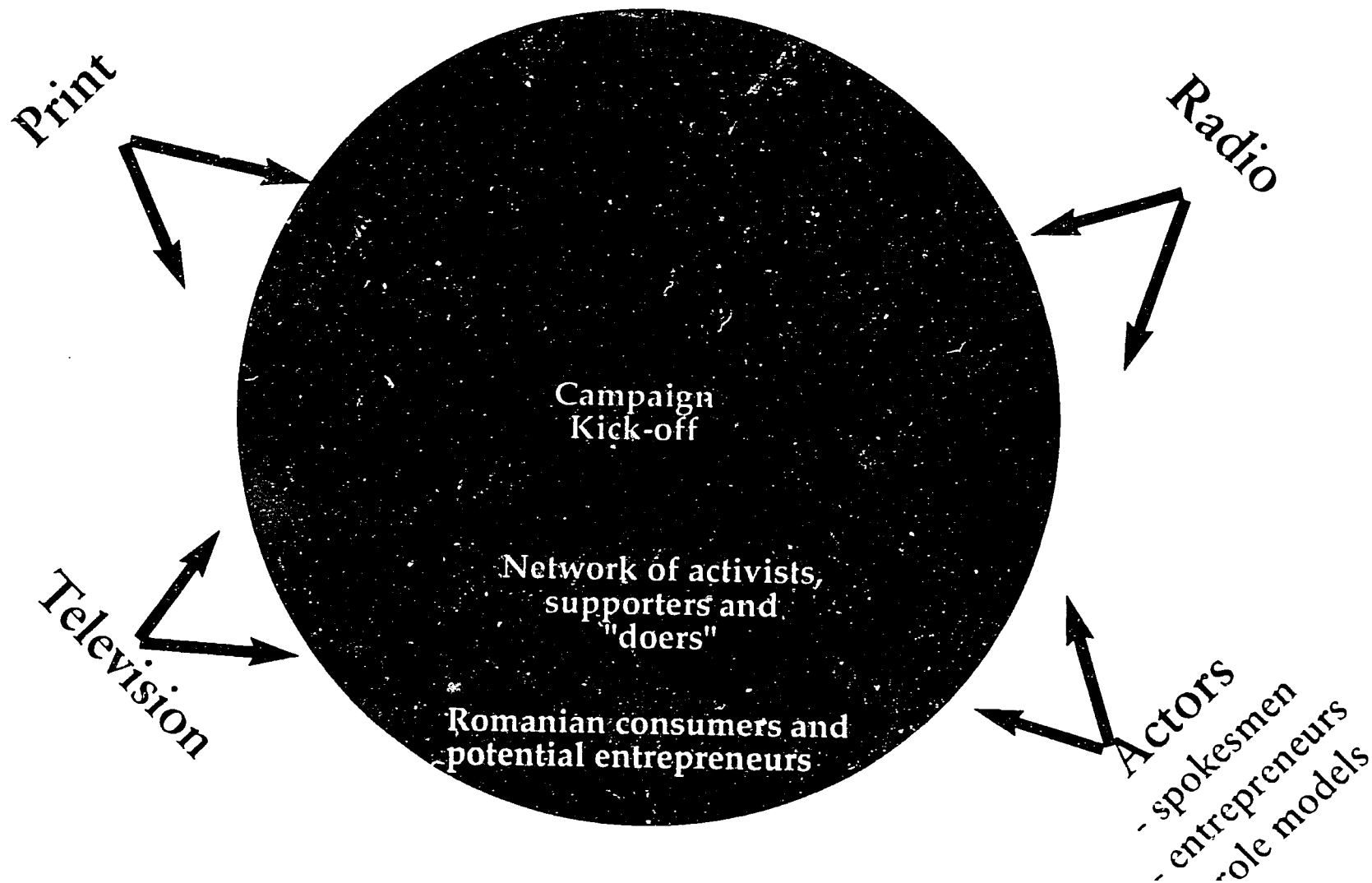
Arad
Constanta
Bucuresti

Priority III Targets

Baia Mare
Bacau
Suceava
Craiova



EACH REGIONAL CAMPAIGN



CAMPAIGN KICK-OFF: "PRIVATE INITIATIVE DAY"

Concept: Combination Workshop and Political Rally

Heavily Promoted
Afternoon and Evening Activities
Campaign Van
Tents and Booths
Music
Food and Drinks
Flags, Bunting and Banners
Guest Celebrities
Speeches
Workshops
Print and Video Materials
Sign-up Sheets for Additional Materials
Trinkets
Evening Concert or Performance

CAMPAIGN SCHEDULE

Phase I
June-July

Internal Organization/
Preparation

- Paid/volunteer staff recruitment
- Coalition building in Bucharest
- Design materials (i.e. magazine, newsletters)

Phase II
July-August

Continue Recruitment, Organization and Training

- Design events, materials
- Identify credible spokespersons

Phase III
September-December

Kick-off

- Regional campaigns: Implementation
- Events in target areas
  Local/Regional efforts
  - TV
  - Radio
  - Print

Media: Possible Dangers

- Media are dangerous
- Media serve political masters
- Many in media will oppose campaign
- Much is controlled by the state
- General lack of professionalism
- General lack of understanding of market reform, privatization, etc.

Our Media Campaign

- Use no paid advertising
- Support private media
- Use combination of messages
  - News about privatization, private initiative
  - Practical business information
  - "Success stories"
  - Motivational stories
- Use both mass and controlled media
- Use foreign language media
- Circumvent Government television

MEDIA STRATEGY

Our media effort will consist of a mix of radio, television and print:

Radio

Radio will be an important tool for several reasons:

- It is relatively credible
- It has broad listener audiences
- There are both Government and private stations
- There are both national and local stations
- Radio is more receptive than television to positive messages
- More likely (than state-controlled television) to broadcast positive stories

Big Ideas

Voice of America
Support for network of private stations

MEDIA STRATEGY: PRINT

- In using the print media, we must recognize important pitfalls
  - Incredibly diverse, fragmented
  - Mouthpieces for political parties
  - Unprofessional
  - Sensationalist
  - Filled with errors
  - Unreliable
  - Uneven credibility
- However, there are a variety of possibilities/ publication outlets available
  - Our own publication(s): *Success*, etc.
  - Chambers of commerce and industry
  - Trade and professional associations
  - PVOs/NGOs
  - Research organizations

Big Ideas:

Success
Partnership with *Capital*

MEDIA STRATEGY: TELEVISION

Television plays a critically important role but... it is

- controlled by Government
- hostile to privatization, private initiative
- very unlikely to broadcast positive stories

Big Ideas

Partner with Government station in Iasi
Help emerging network of private stations

WHAT ABOUT THE GOVERNMENT?

Campaign *is not* designed to circumvent the Government or the N.A.P. It *is* designed to:

- Support the communications efforts of the NAP and other Government agencies involved in privatization
- Enlist the Government as a supporter of the grassroots campaign and other activities
- Encourage members of a grassroots coalition to work for privatization and economic reform

MEASURING THE RESULTS

We will measure the success of the campaign by applying the following criteria:

- Successful campaign "kick-off events" in key cities
- Functioning grassroots organizations established in key cities
- Conferences and workshops held in key cities
- Coverage of the campaign in national and local media
- Launch of "*Success*," the campaign's own publication

WHAT'S NEXT?

- We are confident that the campaign will generate substantial interest and support and that local grassroots organizations will begin to take hold in key cities.
- We expect the media campaign will create expectations for more and more information about privatization and private initiative on television, on radio and in the newspapers.
- We expect "*Success*" will be enthusiastically received.
- We hope the Government will support the campaign, involve itself in it, and will find the political will to unequivocally support privatization and private initiative.
- Six months does not provide enough time to establish a network of grassroots organizations that will be able to sustain itself without our direct involvement and support; nor does it provide enough time for the print and broadcast media campaigns to take hold.
- If the campaign goes well and if the Government takes a more positive and forceful approach to privatization and private initiative, then we believe the campaign should be extended for a full year.
- The Government may not find the political will to support privatization for months to come. Our campaign may help move it in that direction. When that happens, it is important that the campaign be there to provide support.

ROMANIA STRATEGY SESSION

Bine aţi venit!

Welcome!

The Sawyer-Miller Group
Washington, DC
June 14-16, 1993

ROMANIA STRATEGY SESSION

The Sawyer Miller Group
Washington, DC
June 14, 1993

AGENDA

9:15 a.m. - 9:30 a.m.	**Welcome**
	Ulrike Szalay, Steve Johnson
9:30 a.m. - 10:00 a.m.	**Romania: The Historical Context**
	Catalina Stan
10:00 a.m. - 10:30 a.m.	**Romania: The Current Situation**
	Steve Johnson
10:30 a.m. - 12:30 p.m.	**Research Presentation**
	Rebecca Magaziner, Debbie Cymbalista
12:30 p.m. - 1:30 p.m.	**Working Lunch**
1:30 p.m. - 2:30 p.m.	**Grassroots Findings**
	Miles Wortman
2:30 p.m. - 3:00 p.m.	**Summary**
	Steve Johnson
3:00 p.m. - 5:00 p.m.	**Preliminary Strategy Discussion**

ROMANIA: THE HISTORICAL CONTEXT

- THE ROMANIAN NATION
- BETWEEN THE WARS
- THE COMMUNIST TAKEOVER
- THE CEAUCESCU ERA
- THE "SO-CALLED" REVOLUTION

ROMANIA: THE HISTORICAL CONTEXT

THE ROMANIAN NATION

- A proud people
- How we see ourselves -- and others
- "An island of Latins in a sea of Slavs"
- The Revolutions of 1848
- The Unification of 1859
- No help from others

ROMANIA: THE HISTORICAL CONTEXT

BETWEEN THE WARS

- Growing private sector
- "Europe's Bread Basket"
- Growing industrial power
- Rich and poor
- Monarchy and democracy
- "The Paris of the East"
- 1939

ROMANIA: THE HISTORICAL CONTEXT

THE COMMUNIST TAKEOVER

- World War II and Yalta
- The Early Years
- Relations with Moscow
- The New Society
- Creating Socialist Man (and Woman)
- Scenes from the Class Struggle
- "I pretend to work, and you pretend to pay me"
- Romania and its Communist Neighbors
- President Dej
- Romania on the Eve of Ceaucescu

ROMANIA: THE HISTORICAL CONTEXT

THE CEAUCESCU ERA

- "The Genius of the Carpathians"
- The Prostitute and the Thief
- Brainwashing
- A dead society
- The masquerade
- "Rhinocerous"
- "Le petit Versailles"

ROMANIA: THE HISTORICAL CONTEXT

THE "SO-CALLED" REVOLUTION

- The masquerade continues
- Iliescu and the *nomenklatura*
- *La plus ca change . . .*
- The lady on the train
- The re-awakening
- "Candle in the Wind"
- "Where have you been? We've been waiting fifty years for you."
- Going it alone

ROMANIA: THE CURRENT SITUATION

- WHAT OTHERS SAY
- THE VACAROIU GOVERNMENT
- CONDITIONS FAVORING CHANGE
- PRIVATIZATION IS AT RISK
- OBSTACLES TO PRIVATIZATION
- OBSTACLES TO START-UPS
- WHAT'S NEEDED NOW

ROMANIA: THE CURRENT SITUATION

WHAT OTHERS SAY

"Without an end to the present political confusion, and the policy incoherence it leads to, Romania is unlikely to reverse its ongoing socio-economic decline."

-- *Oxford Analytica*

"The prospects for rapid and successful privatization in Romania are bleaker today than they were a year ago."

-- *European Bank for Reconstruction and Development*

"It's not in the West's interest to allow Romania to fall apart. We don't need any more Yugoslavias."

-- *A Western Diplomat*

ROMANIA: THE CURRENT SITUATION

THE VACAROIU GOVERNMENT

- Incoherent policy
- Budget deficit increasing
- Unemployment rising
- Inflationary wage demands
- Increasing poverty
- Subservience to trade unions
- Return to state intervention in the economy
- Increasing unhappiness of international lending agencies
- "Something's got to give"

ROMANIA: THE CURRENT SITUATION

CONDITIONS FAVORING CHANGE

- People favor private enterprise and return to market economy
- Plentiful resources
- Potential "winners"
- Huge agricultural potential
- Strategic location
- International support
- Pro-American sentiment

But . . . . .

ROMANIA: THE CURRENT SITUATION

PRIVATIZATION IS AT RISK

- Few privatizations of state owned enterprises
- Uncertainty about laws
- Power struggles between agencies
- Fewer active start-ups than hoped for
- Even fewer manufacturing start-ups
- Foreign investment lags
- Foreign investment laws stalled

ROMANIA: THE CURRENT SITUATION

OBSTACLES TO PRIVATIZATION

- Opposition of Ministers
- Valuation and Pricing Policy
- Lack of investor confidence in government as negotiating partner
- Corruption
- Continued political interference in privatization agencies

ROMANIA: THE CURRENT SITUATION

OBSTACLES TO START-UPS

- Lack of investment credits and capital
- Lack of skills and training needed in modern market economy
- Lack of access to business information
- Scarcity of business premises
- Hostility of state sector
- Bureaucratic obstruction

WHAT'S NEEDED NOW

- Political will, leading to . . .
- Strong political support for private sector development
- Increased awareness of workings of modern market economy
- Better communication between the governing and the governed
- Mass media -- especially TV -- support for private sector development
- Better communication between the international community and Romania
- Continued international support for Romania

Mulţumesc pentru ajutor.

The Sawyer-Miller Group
Washington, DC
June 14-16, 199

PHASE I: IMMEDIATE TACTICAL SUPPORT DELIVERABLES

Section 1:	N.A.P. Privatization Bulletin
Section 2:	Status report on remaining deliverables

ANP

AGENTIA NATIONALA PENTRU PRIVATIZARE

BULETIN INFORMATIV

H.G. numărul 4/13.01.1993 privind organizarea ANP
2

Stadiul privatizării pilot (continuare din numărul 4/1992)
3

Stadiul organizării Fondului Proprietăţii de Stat si a Fondurilor Proprietăţii Private
13

Programe de asistenţă tehnică pentru privatizare
14

Activitatea de concesionare
14

Date statistice referitoare la vînzarea de active
15

1.
1993

1. HOTARIREA GUVERNULUI nr. 4/13.01.1993

Privind organizarea Agentiei Nationale pentru Privatizare

Evolutia procesului de privatizare in tara noastra si constituirea, conform legii, a Fondului Proprietatii de Stat si a Fondurilor Proprietatii Private au facut necesara o reorganizare a Agentiei Nationale pentru Privatizare in sensul asigurarii coerentei, coordonarii si controlului procesului de privatizare la nivel national precum si in unitatile administrativ teritoriale.

In conformitate cu Hotarirea Guvernului privind organizarea Agentiei Nationale pentru Privatizare, atributiile sale vor fi in principal urmatoarele:

a. coordonarea, indrumarea si controlul realizarii intregului proces de privatizare;

b. solutionarea eventualelor neintelegeri dintre Fondul Proprietatii de Stat si Fondurile Proprietatii Private in legatura cu privatizarea societatilor comerciale;

c. finalizarea, in termen de sase luni, a privatizarii societatilor comerciale incluse in programul de privatizari pilot;

d. aprobarea privatizarii societatilor comerciale in situatia in care Fondul Proprietatii de Stat isi pierde calitatea de actionar ce detine controlul in cadrul respectivelor societati comerciale;

e. prezentarea spre aprobarea Guvernului, de norme metodologice privind conditiile de organizare si desfasurare a vinzarilor de actiuni si active;

f. aprobarea incheierii de contracte de asistenta de specialitate cu firme de consultanta straine de catre societatile comerciale care se privatizeaza;-

g. asigurarea, in colaborare cu Fondurile Proprietatii Private, a organizarii de servicii de brokeraj pentru schimbarea certificatelor de proprietate pe actiuni;

h. prezentarea spre aprobare Guvernului, de proceduri de regularizare a cursului certificatelor de proprietate;

i. rezolvarea contestatiilor formulate de detinatorii certificatelor de proprietate impotriva solutiilor date de Fondul Proprietatii Private, in exercitarea dreptului de control si initiativa al detinatorilor certificatelor de proprietate;

j. avizarea propunerilor de acordare de concesiuni si de organizare de licitatii pentru incheierea de contracte de concesiune de activitati economice, servicii publice si unitati de productie ale unor regii autonome si terenuri proprietate de stat;

k. propunerea spre aprobare Guvernului, incheierea de contracte de subconcesionare;

l. controlul respectarii de catre concesionari a obligatiilor asumate prin contractul de concesiune;

m. controlul legalitatii actelor juridice incheiate in aplicarea Legii privatizarii societatilor comerciale;

n. urmarirea realizarii programului de asistenta tehnica din strainatate si asigurarea unor forme de pregatire a personalului in domeniile evaluarii societatilor comerciale, organizarii de licitatii, vinzari de actiuni, brokeraj si alte activitati legate de procesul de privatizare;

o. realizarea de activitati de comunicatie, pe plan intern si extern, in vederea promovarii procesu lui de privatizare;

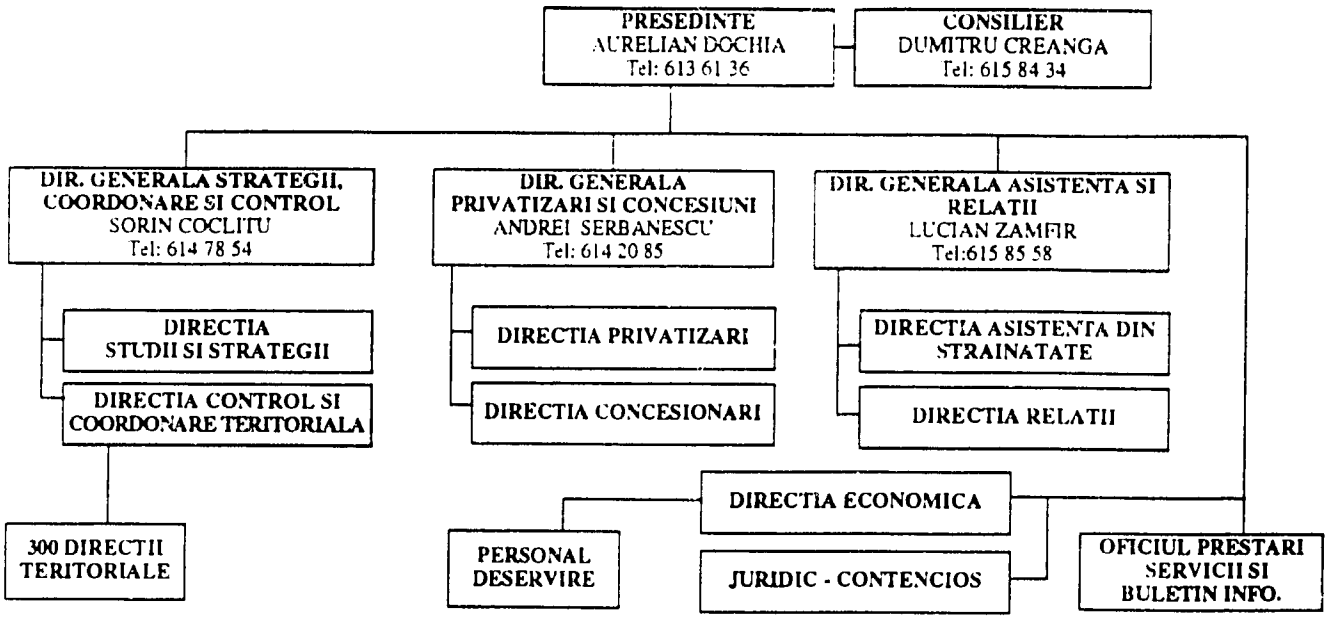
p. efectuarea, tinind seama de practica internationala, de analize si studii in domeniul privatizarii societatilor comerciale cu capital de stat;

r. prestarea, pe baza contractuala, de servicii de asistenta tehnica si consultanta in domeniile economic, financiar, comercial si juridic;

s. editarea periodica a Buletinului informativ privind desfasurarea procesului de privatizare.

Agentia este condusa de un presedinte, care se asimileaza functiei de secretar de stat.

Structura organizatorica a Agentiei Nationale pentru Privatizare este prezentata in schema urmatoare:



2. STADIUL PRIVATIZARII PILOT

In baza prevederilor capitolului V din Legea nr. 58/1991, a criteriilor si procedurii de selectare nr. 1043/1991 si a Hotaririi Guvernului 264/1992 privind vinzarea de actiuni ale societatilor comerciale inainte de organizarea fondurilor, Agentia Nationala pentru Privatizare a identificat peste 30 de societati comerciale, potentiale candidate la prgramul de privatizare "pilot".

Pina in prezent au fost privatizate prin vinzare de actiuni societatile comerciale:

- VRANCO S.A. Focsani
- URSUS S.A. Cluj-Napoca
- FRULEG S.A. Alexandria;
- MAGURA S.A. Codlea
- EUROVITIS S.A. Urechesti;
- ARTA GRAFICA Bucuresti;
- IPCT S.A. Bucuresti
- INDUSTRIA CARNII S.A. Pascani
- AGROIND S.A. Focsani;
- ITELS S.A. Iasi
- UNICON S.A. BUCURESTI
- UNICOM S.A. Galati
- ELECTRIC GRUP S.A. Iasi;
- ALFA S.A. Braila;
- CONIMPULS S.A.BACAU;
- COMREPI S.A. Borzesti
- TERRA S.A. Bucuresti
- CONFECTIA S.A. Tirgu Seciuesc;

*Aceste societati comerciale au fost prezentate in B.I. nr.4/1992.

Se definitiveaza contractele de vinzare-cumparare pentru urmatoarele societati: EXPO ART S.A. Focsani si MILCOV S.A. Focsani.

Se negociaza conditiile de vinzare cu potentialii investitori (salariatii societatii) pentru societatea comerciala PORTO-FRANCO Galati.

In ceea ce priveste celelalte societati comerciale pregatite pentru privatizare, se sondeaza in continuare, interesul investitorilor romani si straini in vederea privatizarii acestora.

Din experienta acumulata in aceasta etapa si considerind ca prim obiectiv asigurarea viabilitatii societatilor comerciale privatizate, intr-un interval de timp previzibil, reiese faptul ca procesul de privatizare are un caracter complex, cu implicatii economice si sociale de natura sa conduca la accelerarea sau frinarea actiunii de privatizare, in functie de rezultatele si consecintele imediate ale acestei etape.

PROGRAMUL DE PRIVATIZARE PRIN VINZAREA ACTIUNILOR CATRE CONDUCERE SI SALARIATI (MEBO)

1. Prezentarea Generala

In cadrul programului de privatizare "pilot", inainte de infiintarea Fondului Proprietatii de Stat si a Fondurilor Proprietatii Private, elaborat de Agentia Nationala pentru Privatizare in baza art. 42 din Legea nr. 58/1991, a fost inclus si un proiect privind privatizarea unui numar de societati comerciale prin vinzarea actiunilor catre salariati si conducere (metoda MEBO)

Derularea proiectului a inceput in luna martie 1992.

beneficiind de asistenta tehnica din partea firmei JOB OWNERSHIP Ltd. - Anglia, finantata de Guvernul Marii Britanii prin programul Know-How Fund .

2. Stadiul Actual

2.1. Societatea comerciala AGROIND S.A. Focsani

2.1.1, Date de referinta.

- infiintata prin H.G. nr. 194/1991
- obiect de activitate: producerea, industrializarea si comercializarea produselor agrozootehnice;
- capital social: 2.551.156.000 lei;
- numar de actiuni: 2.551.156 actiuni nominale cu valoare de 1000 lei fiecare;
- numar de salariati: 288;
- cifra de afaceri pe anul 1991: 228.261. 000 lei;
- profit net pe anul 1991: 22.803.000 lei

2.1.2. Prezentarea societatii

Societatea provine din reorganizarea intreprinderii Agroindustriale Focsani.

Societatea comerciala AGROIND S.A. are 99% capital de stat si 1% capital privat, in urma aplicarii prevederilor legii nr. 18/1991.

Este organizata pe complexe in care se desfasoara activitati agroindustriale, servicii
(timplarie., cojocarie), comerciale.

2.1.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de firma ECO-TRANZIT finantarea fiind suportata de catre societate.

Au fost utilizate urmatoarele metode de evaluari:
a) metoda activului net corectat;
b) metoda fluxurilor financiare actualizate;
c) metoda capitalizarii veniturilor;

2.1.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, datorita interesului manifestat de salariati si conducere pentru cumpararea actiunilor detinute de stat.

2.1.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor, s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni detinut de catre stat.

a. Pret: 498.490.000 lei

b. Plata in 3 transe, corespunzator ciclurilor anuale de productie, cu un avans de 10%, pina la 31.12.1992, cu o dobinda corespunzatoare celei practicate de CEC pentru depunerile la vedere, aplicabila ultimelor 2 transe.

2.2. Societatea comerciala ALFA S.A. Braila

2.2.1. Date de referinta

- infiintata prin H.G. nr. 1334/1991;
- obiect de activitate: constructii-montaj;
- capital social: 15.430.000 lei, din care 1.500.000 lei capital privat;
- numar de actiuni: 3.086 actiuni nominative, cu valoare nominala de 5000 lei/actiune;
- cifra de afaceri pe anul 1991: 242.300.000 lei;
- profit net pe anul 1991: 5.400.000 lei;

2.2.2. Prezentarea societatii

Activitatea societatii comerciale ALFA S.A. este indreptata spre executarea de lucrari de constructii, instalatii, montaj si izolatii pentru obiective industriale, social-culturale, agricole.

Societatea comerciala activeaza pe piata locala, alaturi de alte 40 de societati comerciale cu profil de constructii, fiind preferata de beneficiari datorita calitatii lucrarilor executate si a respectarii termenelor de executie.

2.2.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea IPCT - Bucuresti, finantarea contractului de consultanta fiind realizata de catre societatea ALFA S.A.

Au fost utilizate urmatoarele metode de evaluare:

a. metoda activului net corectat
b. metoda capitalizarii veniturilor
c. metoda fluxurilor financiare actualizate
d. metoda practicienilor
e. metoda amortismentului infinit.

2.2.4. Strategia de privatizare

S-a adoptat metoda de privatizare MEBO, avind in vedere interesul manifestat de salariati si conducere pentru cumpararea pachetului de actiuni detinut de stat.

2.2.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationa pentru Privatizare si Asociatia salariatilor s-au stabil urmatoarele conditii de vinzare a pachetului de actiuni:

a. Pret: 44.576.000 lei;

b. Plata in 4 rate, cu un avans de 30% din pretul st pulat, in termen de 30 de zile de la semnarea contrac tului, pina la data de 31.03.1994;

c. Efectuarea de investitii suplimentare in valoare d 30.000.000 lei, esalonate pe 3 ani, cu plata une penalizari de 0.5% pentru valoarea nerealizata, pen tru fiecare zi de intirziere;

d. Mentinerea efectivului existent pe o perioada de 2 ani, cu exceptia reducerilor naturale;

e. Interzicerea instrainarii terenurilor si cladirilor din patrimoniu pentru o perioada de 10 ani de la data sem narii contractului.

2.3. Societatea comerciala COMREPI S.A. Borzesti

2.3.1. Date de referinta.

Capital social: 38.700.000 lei;
Numar de actiuni: 7.740. de actiuni cu o valoare nominala de 5.000 lei fiecare.
Numar de salariati: 370
Cifra de afaceri: 301.588.000 lei (la 31/09/1992)
Profit brut: 29.582.000 lei
Rata profitului: 9,8%

2.3.2. Prezentarea societatii.

Societatea comerciala COMREPI S.A. Borzesti s-a infiintat conform H.G. nr.1224/23.11.1990, provenind din Trustul de reparatii, constructii si montaj in industria chimica si petrochimica Ploiesti, Grupul de Santiere Borzesti.

Are ca obiect de activitate executarea de constructii-montaj si reparatii la instalatii tehnologice industriale si constructii civile, in tara si strainatate, fabricarea si comercializarea de confectii metalice, semifabricate si elemente de constructii, activitate de proiectare a lucrarilor de constructii, activitate de service, transport de marfuri si persoane in trafic intern si international, activitate de productie alimentara.

Societatea are ca structura de productie trei santiere specializate, o sectie de productie industriala, proiectare si activitati comerciale.

Societatea isi desfasoara activitatea pe raza municipiului Onesti si a judetului Bacau, concurentii fiind putini, iar cerinta mare de lucrari in zona, precum si calitatea acestora, a condus la selectarea cu prioritate de catre beneficiari a societatii COMREPI S.A. in vederea angajarii ei pentru efectuarea unor asemenea lucrari.

Dotarea cu utilaje si echipamente de lucru specifice activitatii este modesta; din acest motiv sint necesare investitii pentru dotari proprii.

Prin activitatea specifica pe care o desfasoara, societatea nu constituie un factor poluant pentru mediul inconjurator.

2.3.3. Evaluarea societatii.

- Valoarea activului net corectat: 110.552.000lei;
- Valoarea pe baza de cash-flow: 43.700.000 lei;
- Valoarea pe baza de randament: 156.500.000 lei;
- Valoarea pe baza de goodwill: 160.000.000 lei;
- Propunerea Agentiei Nationale pentru Privatizare: 116.100.000 lei.

In urma negocierilor dintre reprezentantii Asociatiei salariatilor societatii COMREPI S.A. si Agentia Nationala pentru Privatizare au fost stabilite urmatoarele conditii de vinzare-cumparare:

- Pret: 110.000.000 lei, reprezentind 7.740 actiuni cu o valoare nominala de 15.500 lei/actiune.
- Conditii de plata: 20% in termen de 30 de zile de la semnarea contractului, 30% pina la data de 30.06.1993 si 50% pina la data de 31.03.1994.

Alte conditii au fost:

- Mentinerea locurilor de munca pe o perioada de 2 ani de la data semnarii prezentului contract;
- Mentinerea profilului de activitate pe o perioada de 10 ani de la data semnarii contractului;
- Efectuarea unui volum de investitii de 30.000.000 lei intr-o perioada de 3 ani (cite 10 milioane pe an).

2.4. Societatea comerciala CONFECTIA S.A. Tirgu Secuiesc

2.4.1. Date de referinta.

Capital social: 508.100.000 lei (reevaluat cf. H.G. 26)
Numar de actiuni: 101.620 actiuni a cite 5000 lei/actiune.
Numar de salariati: 2.337
Cifra de afaceri: 1.096.000.000 lei (in 1991)

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Profit net: 177.700.000 lei (in 1991)
Rata profitului: 16,2%

2.4.2. Prezentarea societatii:

Infiintata in 1968 ca intreprindere de stat. Transformata in societate comerciala prin H.G. nr. 1254/1990.

Obiect de activitate: productia de confectii, activitate de cercetare-proiectare, activitate de reparatii si punere in functiune de agregate si utilaje, comercializare a bunurilor si serviciilor realizate, activitate de import-export.

Detine 40% din capitalul unei societati mixte romano-germane (Confectia TGS Fashion S.R.L.)

Lucreaza in sistem "lohn" 100%, aproape 95% pentru export, avind clienti externi traditionali.

Nu are litigii pe rol si nici credite pe termen lung.

Circa 80% dintre salariati s-au asociat in vederea cumpararii actiunilor societatii Confectia S.A., constituind societatea SECUIANA S.A. (capital social 63.500.000. lei, 1653 actionari).

2.4.3. Evaluarea societatii.

Ipoteze:
- schimbarea strategiei (reducere a productiei in sistem lohn, ajungindu-se in 1997 la sistemul full pentru 50-60% din productia de export;
- cresterea productiei fizice cu 5%anual;
- cresterea costurilor salariale cu 20% in 1993, cu cite 15% in 1994-1995 , apoi cu cite 5%;
- cresterea preturilor externe: la lohn cu 2-10% anual, la lucrul cu materie prima proprie cu 5% anual;
- realizarile estimate pe 1992: 2,115 milioane bucati pantaloni (din care 1,805 milioane bucati pentru export);
- valoarea adaugata: 60% din cifra de afaceri in 1992, in descrestere spre 40% in 1997.

Aplicind doua metode de evaluare, pe baza aspectului patrimonial, alte doua bazate pe capacitatea beneficiara si o metoda combinata, consultantul selectat prin licitatie (Romcontrol D.C. S.A. Bucuresti) a obtinut urmatoarele valori:

* metoda activului net actualizat de exploatare; 1.648.000.000 Lei
* metoda capitalurilor permanente necesare exploatarii : 1.447.200.000 lei;
* metoda capitalizarii veniturilor - determinarea capacitatii beneficiare: 1.495.000.000 lei;
* metoda fluxurilor financiare actualizate: 1.375.000.000 lei;
* metoda indirecta (a practicienilor): 1.533.400.000 lei

2.4.4.Strategia de privatizare

Societatea SECUIANA S.A. a prezentat o oferta de cumparare integrala a pachetului de actiuni, prin care isi insuseste si planul de afaceri elaborat de consultant si se angajeaza la un volum de investitii de 1.005.000.000 lei, esalonat pe 3 ani.
Pretul oferit a fost de 570.000.000 lei.

2.4.5. Aplicarea strategiei de privatizare

S-au desfasurat doua runde de negocieri (in 25.11.1992 si 30.11.1992), in urma carora s-a stabilit un pret de 850.000.000 lei.

Cumparatorul se angajeaza sa efectueze un volum de investitii de 1.005.000.000 lei in urmatorii 3 ani si sa mentina obiectul principal de activitate al societatii, sa mentina toate locurile de munca pe o durata de trei ani si sa nu instraineze valorile imobiliare mai devreme de 10 ani.

Pentru neindeplinirea clauzelor se prevad penalizari

Modalitatea de plata propusa este cea in trei transe:
- 30% in termen de 30 de zile de la incheierea contractului;
- 30% la 6 luni dupa achitarea primei transe;
- 40% pina la data de 31.03.1994.

Contractul de vinzare-cumparare a fost semnat la 24.02.1993.

2.5. Societatea comerciala CONIMPLUS S.A. Bacau.

2.5.1. Date de referinta.

- infiintata prin decizia Prefecturii Judetului Bacau nr.199/1990;
- obiect de activitate: constructii -montaj;
- capital social: 34.984.500.000 lei;
- numar de actiuni: 6.997 actiuni nominative, cu valoare nominala de 5000 lei/actiune;
- cifra de afaceri pe anul 1991: 267.400.000 lei;
- profit net pe anul 1991: 19.300.000 lei.

2.5.2. Prezentarea societatii

Domeniul de activitate al societatii comerciale CONIMPULS S.A. este reprezentat de realizarea constructiilor civile, industriale si agricole, inclusiv reparatii capitale si curente la constructii in tara si strainatate, executia confectiilor de lemn-metal. Lista de referinta cuprinde constructii edilitar-social-culturale, dintre care se remarca: ansamblul de locuinte

cu grad sporit de confort si finisare "MIORITA", complexul sportiv Bacau, bazinul acoperit de inot, pista acoperita de atletism.

2.5.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea ELECTROUZINPROIECT - Bucuresti, finantarea contractului de consultanta fiind realizata de catre CONIMPULS S.A.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda fluxurilor financiare actualizate;
c. metoda bazata pe goodwill.

2.5.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, avind in vedere interesul manifestat de salariati si conducere pentru cumpararea pachetului de actiuni detinut de stat.

2.5.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni:
a. Pret: 47.250.000. lei;
b. Plata integrala a pretului stipulat in contract, in termen de 60 de zile de la data semnarii contractului;
c. Efectuarea de investitii suplimentare in valoare de 100.000.000 lei, esalonate pe 3 ani, cu plata unei penalizari de 0.5% pentru valoarea nerealizata, pentru fiecare zi de intirziere;
d. Mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.

2.6. Societatea comerciala ELECTRIC GRUP S.A. Iasi

2.6.1. Date de referinta

- infiintata prin H.G. nr. 169/1991;
- obiect de activitate: constructii-montaj instalatii electice;
- capital social: 41.395.000 lei (reevaluat cf. H.G. 26);
- numar de actiuni: 8.279 actiuni nominative, cu valoare nominala de 5.000 lei/actiune;
- cifra de afaceri pe anul 1991: 255.362.000 lei;
- profit net pe anul 1991: 9.085.000 lei.

2.6.2. Prezentarea societatii.

Societatea comerciala ELECTRIC GRUP S.A. s-a desprins din Antrepriza de instalatii si automatizari Iasi aflata in subordinea Trustului Antrepriza Generala de Instalatii si Automatizari Bucuresti, creat in 1949.

Piata pe care societatea isi desfasoara activitatea este cea regionala (a judetelor Iasi, Suceava, Botosani, Vaslui), avind drept concurenti pe Electromontaj S.A. si RENEL.

Este unul din furnizorii de echipament de ventilatie pentru santierul de la Krivoy-Rog din Ucraina, avind experienta acumulata pe santierele din Siria, Egipt, Libia si Germania.

Ponderea cea mai mare o are activitatea de constructii-montaj instalatii electrice, clientii apartinind unor diverse sectoare economice: constructoare de masini, industria chimica, usoara, alimentara, obiective social-culturale.

Societatea si-a diversificat activitatea spre alte sectoare de activitate (electronice, reclame luminoase, servicii de reparatii, tricotaje).

Mijloacele de productie din dotare sint cele specifice activitatilor de santier, fiind caracterizate printr-o avansata uzura fizica si morala.

2.6.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea ROMCONTROL - Bucuresti, finantarea contractului de consultanta fiind realizata de catre ELECTRIC GRUP S.A.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda capitalizarii veniturilor;
c. metoda combinarii valorii patrimoniale cu cea a profitabilitatii.

2.6.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, avind in vedere interesul manifestat de salariati si conducere pentru cumpararea pachetului de actiuni detinut de stat.

2.6.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni:
a. Pret: 137.410.000 lei;
b. Plata in trei rate cu un avans de 30% din pretul stipulat, in termen de 30 de zile de la data semnarii

contractului, pina la data de 31.03.1994;
c. Efectuarea de investitii suplimentare in valoare de 30.000.000 lei, esalonate pe 2 ani, (1994/1995) cu plata unei penalizari de 0,5% pentru valoarea nerealizata, pentru fiecare zi de intirziere;
d. Mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.
e. interdictia instrainarii terenurilor si cladirilor pe o perioada de 10 ani de la data semnarii contractului.

2.7. Societatea comerciala EUROVITIS S.A. Urechesti

2.7.1. Date de referinta

- infiintata prin H.G. nr. 790/1992;
- obiect de activitate: productia, industralizarea, comercializarea produselor agroindustriale;
- capital social:283.930.000 lei, din care 28.066.000 capital privat, cf.Legii 18/1991;
- numar de actiuni: 283.930 actiuni nominative, cu valoare nominala de 1.000 lei/actiune;
- cifra de afaceri pe anul 1992: 8.734.000 lei;
- pierdere pe anul 1992: 14.227.000 lei.

2.7.2. Prezentarea societatii.

Pozitia societatii EUROVITIS S.A. pe piata produselor agricole este greu de determinat datorita faptului ca functioneaza independent de numai 4 luni si nu detine o statie proprie de vinificatie si retea de distributie

Detine o suprafata de 197 ha, din care 151 ha vie si 24 ha teren arabil

Societatea nu dispune de sisteme de irigatie si de sisteme prin conducte de stropit vita de vie, ceea ce face ca productia obtinuta sa depinda aproape integral de factorii naturali.

2.7.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea ECOTRANZIT - Bucuresti, finantarea contractului de consultanta fiind realizata de catre EUROVITIS S.A.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda veniturilor capitalizate;
c. metoda fluxurilor financiare actualizate

2.7.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, combinata cu negocierea unui pachet de actiuni cu un investitor strategic autohton, avind in vedere interesul manifestat de salariati si conducere pentru cumpararea unui pachet de actiuni care sa le asigure controlul, in functie de posibilitatile lor financiare.

2.7.5. Aplicarea strategiei de privatizare.

Conditiile de vinzare sint urmatoarele:

a. pentru Asociatia salariatilor:

- Pret: 105.671.360 lei., pentru un pachet de 70% din actiunile detinute de stat;
- modalitatea de plata: in 4 rate, esalonate pe trei ani agricoli, cu un avans de 10% din pretul stipulat, in termen de 30 de zile de la data semnarii contractului, cu aplicarea dobinzii la vedere utilizata de CEC pentru ultimele doua rate;
- efectuarea de investitii pentru o perioada de 3 ani, de cite 1.000.000 lei/an, cu plata unei penalizari de 0,5% pentru investitiile nerealizate, pentru fiecare zi de intirziere;
- mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.
- interdictia instrainarii terenurilor si cladirilor din patrimoniu pe o perioada de 10 ani de la data semnarii contractului.

b. pentru societatea AGROIND S.A. Focsani:

- pret: 52.196.800 lei, pentru un pachet de 30% din actiunile detinute de stat, platibil in termen de 30 de zile de la semnarea contractului;
- obligativitatea valorificarii superioare a productiei de struguri obtinuta de societatea comerciala EUROVITIS S.A., achizitionind cu prioritate productia acestei societati;
- mentinerea numarului de salariati, pentru o perioada de 2 ani;
- interzicerea instrainarii terenurilor si cladirilor din patrimoniul societatii EUROVITIS S.A. pentru o perioada de 10 ani de la data semnarii contractului.

2.8. Societatea comerciala FRULEG S.A. Alexandria

2.8.1. Date de referinta

- infiintata prin H.G. nr. 46/1991;
- obiect de activitate: productie agricola (legume) in ferme proprii, productie de conserve de legume si fructe, contractari-achizitii si comercializarea acestora;
- capital social: 2.065.345.000 lei;
- numar de actiuni: 413.069 actiuni nominative, cu valoare nominala de 5.000 lei/actiune;

- numar de salariati: 579;
- cifra de afaceri pe anul 1991:516.636.000 lei;
- profit net pe anul 1991: 46.573.000 lei.

2.8.2. Prezentarea societatii.

Infiintata in anul 1968, sub denumirea de Intreprinderea judeteana de legume-fructe Teleorman, s-a transformat in societate pe actiuni, luind denumirea actuala.

Are 3 filiale in Rosiori de Vede, Turnu Magurele si Videle.

Incepind cu anul 1969/1970 si pina in 1977, FRULEG S.A. a avut un export masiv orientat in special spre legume si fructe proaspete (o pondere de 30% in primii ani de activitate, pondere care apoi a cunoscut o scadere), ca si spre conserve.

Exportul se facea in tarile de Est si in Germania Federala, Austria, tarile scandinave. Incepind cu 1990, societatea si-a incetat activitatea de export.

Nivelul de mecanizare agricola este scazut, recoltarea facindu-se in intregime manual.

Pentru activitatea industriala, FRULEG S.A. dispune de linii de fabricatie romaneasca cu o vechime de 20 de ani si o uzura morala avansata.

2.8.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea ERNST & YOUNG (FRANTA) finantarea contractului de consultanta fiind recuperata de la investitorul interesat de acest proiect.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda fluxurilor financiare actualizate;

2.8.4. Strategia de privatizare.

Datorita lipsei de competitivitate a societatii si de slaba sa rentabilitate, FRULEG S.A. se afla in imposibilitatea de a efectua investitii ce i-ar permite sa adapteze gama sa de produse si sa gaseasca noi piete, cu toate ca societatea dispune de un patrimoniu important.

Ca urmare, in strategia de privatizare s-a retinut varianta in care un investitor strategic achizitioneaza un pachet de actiuni de 81%, diferenta de 19% fiind pastrata de stat, prin Fondul Proprietatii de Stat.

Obiectivele avute in vedere prin privatizarea acestei societati sint urmatoarele:
a. pret: 2.058.000.000 lei;
b. Mentinerea si dezvoltarea obiectului de activitate, asa cum este definit in statut;
c. Pastrarea numarului actual de salariati pentru cel putin 2 ani.

2.8.5. Aplicarea strategiei de privatizare.

Dupa cea de-a treia runda, in urma negocierilor purtate intre Agentia Nationala pentru Privatizare si presedintele Consiliului de Administratie al firmei UNIPLAN - Elvetia (investitor strategic interesat in efectuarea unei investitii in FRULEG S.A., interes la care ANP a dat curs prin pregatirea societatii in vederea privatizarii sale), s-au stabilit urmatoarele conditii pentru realizarea acestui proiect:

a. Pret: 2.600.000 $ SUA;

b. Investitii in valoare de 67-78 milioane $ SUA, intr-un termen de 18 luni de la data intrarii in vigoare a contractului, prin contractarea unui credit extern de catre FRULEG S.A. si UNIPLAN;

c. Obtinerea din partea statului roman a garantiei in vederea incheierii contractului de creditare de aceasta depinzind realizarea tranzactiei si intrarea in vigoare a contractului de vinzare-cumparare a actiunilor;

d. Plata pretului se va face esalonat, in 4 transe, in termen de 90, 180, 270, 360 de zile de la intrarea in vigoare a contractului de creditare;

e. Pastrarea locurilor de munca existente la data semnarii contractului pentru cel putin 2 ani si crearea de noi locuri de munca;

f. Protectia mediului inconjurator;

2.9. Societatea comerciala ITELS S.A. Iasi

2.9.1. Date de referinta.

- infiintata prin H.G. nr.1340/1990;
- obiect de activitate: proiectare si executare de lucrari speciale de izolatii tehnologice;
- capital social: 97.590.000 lei;
- numar de actiuni: 19.518 actiuni nominative, cu valoare nominala de 5000 lei/actiune;
- cifra de afaceri pe anul 1991: 320.738.000 lei;
- profit net pe anul 1991: 6.704..000 lei.

2.9.2. Prezentarea societatii

Societatea comerciala ITELS S.A. este specializata in activitatea de proiectare si executie a lucrarilor speciale de izolatii tehnologice, protectii anticorozive, inzidiri refractare si consolidari in constructii.

Societatea comerciala isi desfasoara activitatea pe piata regionala (Iasi, Botosani, Suceava) si a patruns pe piata Republicii Moldova si a Ucrainei.

Starea tehnica a echipamentului de lucru este satisfacatoare, rezolvind cerintele interne, prezentind un decalaj substantial fata de tehnologiile occidentale din acest domeniu.

2 9.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea SPICUL - Iasi, finantarea contractului de consultanta fiind realizata de catre ITELS S.A.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda fluxurilor financiare actualizate;

2.9.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, avind in vedere marimea societatii (se incadreaza in categoria societatilor mici), varietatea societatilor fara investitii majore ca si interesul manifestat de salariati si conducere pentru cumpararea pachetului de actiuni detinut de stat.

2.9.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni:
a. Pret: 111.000.000. lei;
b. Plata in trei rate, cu un avans de 30% in termen de 30 de zile de la semnarea contractului, pina la data de 31.03.1994;
c. Efectuarea de investitii suplimentare in valoare de 30.000.000 lei, esalonate pe 3 ani, cu incepere din 1993, cu plata unei penalizari de 0.5% pentru valoarea nerealizata, pentru fiecare zi de intirziere;
d. Mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.
e. interzicerea instrainarii terenurilor aflate in proprietatea sa pe o perioada de 20 de ani de la data semnarii contractului.

2.10. Societatea comerciala MAGURA S.A. Codlea

2.10.1. Date de referinta.

- infiinata prin H.G. nr. 1200/1990;
- obiect de activitate: producerea si comercializarea de mobilier modern, mobilier rustic (clasic si modernizat) si mobilier pentru copii;
- capital social: 957.990.000 lei
- numar de actiuni: 191.598 actiuni nominative, in valoare nominala de 5000 lei/actiune;
- numar de salariati: 1700;
- cifra de afaceri pe anul 1991: 645.400.000 lei, din care 78% export;
- profit net pe anul 1991: 33.000.000 lei.

2.10.2 Prezentarea societatii

Produsele pentru piata interna au ca scop utilizarea capacitatii de productie disponibila in anumite perioade, intre programele de export, care au o pondere in cifra de afaceri a societatii de 78% in anul 1991 si de 97,6% in anul 1992.

Beneficiarii externi ai societatii sint IKEA - Suedia, MULLER - Germania, STEINHOFF - Germania si MWA - Germania.
Exportul de mobila pentru firma IKEA reprezinta 25% din importul de mobila al acestei firme din Romania.

In ceea ce priveste piata Germaniei, societatea comerciala MAGURA S.A. Codlea se situeaza printre primii cinci producatori care asigura aprovizionarea acestei piete cu mobilier rustic.

2.10.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de Centrul de Cercetari si Proiectari pentru Industria Lemnului Brasov.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;

b. metoda fluxurilor financiare actualizate;

2.10.4. Strategia de privatizare.

Privatizarea societatii MAGURA S.A. Codlea s-a realizat prin vinzarea unui pachet de 12.000 de actiuni Asociatiei salariatilor, iar diferenta de 179.598 de actiuni societatii comerciale MAGURA 2000.

2.10.5. Aplicarea strategiei de privatizare.

Conditiile de vinzare au fost urmatoarele:
a, pentru asociatia salariatilor:

- pret: 42.000.000. lei, contravaloarea a 12.000 de actiuni nominative cu o valoare de 3.500 lei/actiune;

- plata se va face esalonat, in 3 rate, pina la data de 31.03.1994.

b. pentru societatea comerciala MAGURA 2000:

- pret: 682.472.400 lei, contravaloarea a 179.598 actiuni, cu o valoare de 3800 lei/actiune;
- plata se va face esalonat, in 3 rate, pina la data de 31.03.1994;
- efectuarea de investitii suplimentare in valoare de

4 milioane $ SUA, incepind cu 1994, pe o perioada de 5 ani, esalonat (1994-500 mii.$; 1995-500mii $; 1996-1mil. $; 1997-1 mil $; 1998-1 mil $), cu plata unei penalizari de 12% pentru valoarea nerealizata.;
- mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.

2.11. Societatea comerciala TERRA S.A. Bucuresti

2.11.1. Date de referinta.

- capital social: 116,2 mil. lei;
- numar de actiuni: 23.245 actiuni nominative, cu valoare nominala de 5000 lei/actiune;
- numar de salariati: 72;
- cifra de afaceri: 4.792,4 milioane de lei, din care 14,7% export (la 30.11.1992)
- profit net: 298,7 milioane lei (la 30.11.1992);
- rata profitului: 6,2%.

2.11.2. Prezentarea societatii

Societatea comerciala TERRA S.A. si-a inceput activitatea in 1969, ca intreprindere de comert exterior, aflata in subordinea Ministerului Comertului Exterior.

Pina in anul 1990 I.C.E. Terra a avut ca obiect de activitate desfasurarea operatiunilor speciale de comert exterior: export-import, compensatii, switch, consulting, engineering, export de licente si brevete de invenii, know-how, si alte operatiuni de comert exterior si cooperare economica internationala, conform completarilor aduse obiectului de activitate prin HCM nr. 28/1971.

In prezent societatea comerciala TERRA S.A. are un obiect de activitate relativ redus, limitat la operatiuni comerciale clasice, ca urmare a necesitatii de adaptare a societatii la conditiile impuse de perioada de tranzitie catre economia de piata.

In cadrul activitatii de import-export, principalele grupe de produse au o pondere de 56% - produsele chimice, 12% - produsele din lemn, etc.

Activitatea societatii nu se adreseaza unei piete specifice, fiind determinata de raportul cerere-oferta si de puterea economica a societatii de a actiona pe o anumita piata.

Societatea comerciala TERRA S.A. are posibilitati reale de extindere a participarii sale la comertul mondial, ce se regasesc in avantajele societatii fata de potentialii concurenti:
- personal calificat, cu o experienta in comertul international;
- resurse financiare proprii;
- participari la capitalul social al altor societati comerciale, in tara si in strainatate;
- experienta in domeniul operatiunilor comerciale complexe specifice economiei de piata.

Societatea comerciala TERRA S.A. are participatii la capitalul social al unor societati din tara si din strainatate, intre 3,3% si 50%.

2.11.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de firma CONTINAUDIT SRL - Bucuresti, finantarea contractului de consultanta fiind realizata de catre societatea TERRA S.A.

2.11.4. Strategia de privatizare.

Ca urmare a cererii formulate de Asociatia salariatilor si conducerea societatii de a cumpara pachetul detinut de stat, metoda de privatizare stabilita a fost metoda MEBO.

2.11.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni:
a. Pret: 450.020.970 lei;
b. Plata in doua rate, dupa cum urmeaza: 90.008.400 lei, reprezentind contravaloarea a 4.280 de actiuni, in termen de 30 de zile de la data semnarii contractului, si respectiv 360.012.570 lei, reprezentind contravaloarea a 17.119 actiuni, in termen de 18 luni de la data semnarii contractului.

2.12. Societatea comerciala UNICOM S.A. Galati.

2.12.1. Date de referinta.

- infiintata prin H.G. nr.865/1992;
- obiect de activitate: constructii de locuinte;
- capital social: 198.075.000 lei, din care 63.675.000 capital privat;
- numar de actiuni: 39.615 actiuni nominative, cu valoare nominala de 5000 lei/actiune;
- cifra de afaceri pe anul 1991: 793.200.000 lei;
- profit net pe anul 1991: 45.672.000 lei.

2.12.2. Prezentarea societatii

Societatea comerciala UNICOM S.A. s-a constituit in anul 1961, ca intreprindere de constructii orasenesti,

avind ca obiect de activitate constructia de locuinte in orasul Galati.

Societatea a executat lucrari la Hidrocentrala Bicaz, Sala Palatului, Pavilionul Expozitional, la principale platforme industriale din Galati, Braila Focsani, lucrari agrozootehnice, in industria alimentara, restaurante pe litoralul Marii Negre.

Din anul 1972, societatea a participat la executarea unor lucrari in strainatate: baraje in Austria, edificii social-culturale in Germania si Libia, constructii industriale in Irak.

Din anul 1990 societatea a intrat si pe piata constructiilor edificiilor publice si de telecomunicatii.

Societatea UNICOM S.A. isi desfasoara activitatea in municipiul si judetul Galati si in regiunile limitrofe.

Perspectiva societatii este legata de realizarea lucrarilor hidroedilitare din Galati, a garii CFR de pasageri, a noului sediu al Oficiului de Posta zonal, a sediilor filialei BCR Galati si BA Galati, a sediului Camerei de Comert si Industrie din Galati, precum si a sediului Directiei Generale a Finantelor Publice din Galati.

2.12.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea IPCT - Bucuresti, finantarea contractului de consultanta fiind realizata de catre UNICOM S.A.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda fluxurilor financiare actualizate;
c. metoda capitalizarii profitului mediu.

2.12.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, avind in vedere interesul manifestat de salariati si conducere pentru cumpararea pachetului de actiuni detinut de stat.

2.12.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni:

a. Pret: 220.416.000. lei;
b. Plata in 4 rate, cu un avans de 22.041.600 lei, reprezentind contravaloarea a 2.688 actiuni cu valoare de piata de 8.200 lei/actiune, in termen de 30 de zile de la data semnarii contractului, pina la data de 31.03.1994;
c. Efectuarea de investitii suplimentare in valoare de 50.000.000 lei, esalonate pe 3 ani, cu plata unei penalizari de 0,5% pentru valoarea nerealizata, pentru fiecare zi de intirziere;
d. Mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.
e. Interdictia instrainarii terenurilor si cladirilor pe o perioada de 10 ani de la data semnarii contractului.

2.13. Societatea comerciala UNICON S.A. BUCURESTI

2.13.1. Date de referinta.

- infiintata prin H.G. nr.89/1992;
- obiect de activitate: constructii -montaj, reparatii pentru constructii;
- capital social: 5.862.465 lei;
- numar de actiuni: 1.173 actiuni nominative, cu valoare nominala de 5000 lei/actiune;
- cifra de afaceri pe anul 1991: 142.623.000 lei;
- profit net pe anul 1991: 8.807.000 lei.

2.13.2. Prezentarea societatii

Societatea comerciala UNICON S.A. executa, in principal, lucrari pentru structuri de rezistenta, inchideri si finisaje, lucrari edilitare si conexe.

Dotarea societatii cu echipamente si utilaje specializate pentru activitatea de constructii este slaba, societatea fiind pusa in situatia de a inchiria utilaje si diferite mijloace de transport.

Societatea comerciala isi desfasoara activitatea pe piata specifica municipiului Bucuresti si a Germaniei.

Prin natura si obiectul sau de activitate, gama clientilor este extrem de diversa, cuprinzind agenti economici cu capital privat de stat sau mixt, precum si persoane fizice.

Societatea comerciala nu detine in patrimoniu, teren si cladiri.

2.13.3. Evaluarea societatii.

Evaluarea societatii a fost efectuata de societatea CEDRU - Bucuresti, finantarea contractului de consultanta fiind realizata de catre UNICON S.A.

Au fost utilizate urmatoarele metode de evaluare:

a..metoda activului net corectat;
b. metoda bazata pe rentabilitate;
c. metoda bazata pe goodwill.

2.13.4. Strategia de privatizare.

S-a adoptat metoda de privatizare MEBO, avind in vedere interesul manifestat de salariati si conducere pentru cumpararea pachetului de actiuni detinut de stat.

2.13.5. Aplicarea strategiei de privatizare.

In urma negocierilor purtate intre Agentia Nationala pentru Privatizare si Asociatia salariatilor s-au stabilit urmatoarele conditii de vinzare a pachetului de actiuni:

a. Pret: 28.152.000. lei;

b. Plata in 3 rate, cu un avans de 8.448.000 lei, reprezentind contravaloarea a 352 actiuni cu valoare de piata de 24.000 lei/actiune, in termen de 30 de zile de la data semnarii contractului, pina la 31.03.1994;

c. Efectuarea de investitii suplimentare in valoare de 150.000.000 lei, esalonate pe 5 ani, cu obligativitatea efectuarii unui volum de investitii de 30.000.000 in 1993, plata unei penalizari de 0,5% pentru valoarea nerealizata, pentru fiecare zi de intirziere;

d. Mentinerea efectivului de personal existent pe o perioada de 2 ani, cu exceptia reducerilor naturale.

3. STADIUL ORGANIZARII FONDULUI PROPRIETATII DE STAT SI A FONDURILOR PROPRIETATII PRIVATE

Infiintarea in august-septembrie anul trecut, a Fondului Proprietatii de Stat si a Fondurilor Proprietatii Private, institutiile de baza ale privatizarii, a constituit, practic declansarea procesului de privatizare in Romania. In perioada imediat urmatoare numirii Consiliilor de Administratie si a selectionarii prin concurs a personalului initial al fondurilor, cu un minim de resurse financiare, s-a trecut la organizarea si operationalizarea acestora. Ne propunem in continuare sa va prezentam principalele actiuni intreprinse pina in prezent de catre aceste institutii.

1. FONDUL PROPRIETATII DE STAT

Desi prezentate prin documente oficiale ca si prin mass-media, consideram necesar ca si in acest Buletin Informativ sa va facem cunoscute persoanele care conduc aceasta institutie:Presedinte al Consiliului de Administratie - dl. Emil Dima; tel: 611 49 43
Director General Executiv: dl. Paul Miercan ;
tel: 611 43 49

In toamna anului trecut, a fost incheiat un contract intre Agentia Nationala pentru Privatizare, ca reprezentant al Guvernului si firma de consultanta Roland Berger & Partner, contract finantat prin programul PHARE si care are drept obiectiv asigurarea asistentei tehnice necesare organizarii si implementarii Fondului Proprietatii de Stat (FPS) si a Fondurilor Proprietatii Private (FPP). In cadrul acestui contract, consultantul a prezentat deja rapoarte privind programul de privatizare, structura organizatorica si strategia de recrutare a personalului, urmind sa prezinte rapoarte privind bugetul si strategia de elaborare a planurilor atit pentru FPS cit si pentru FPP-uri, evaluarea certificatelor de proprietate si managementul de portofoliu.

De asemenea in cadrul contractului de asistenta tehnica incheiat cu firmele Industrie Beratung si Coopers & Lybrand, urmeaza a fi prezentat raportul final cu privire la coordonarea institutionala a procesului de privatizare si restructurare.

In vederea declansarii procesului de privatizare a societatilor comerciale mici, au fost aprobate si date publicitatii atit "Normele Metodologice privind procedura standard de privatizare a societatilor comerciale mici prin vinzare de actiuni", cit si prima lista a societatilor comerciale ce urmeaza a se privatiza prin aceasta procedura.

A fost intocmit primul program anual de privatizare, aprobat de Consiliul de Administratie al FPS si urmeaza a fi supus aprobarii Parlamentului.

2. FONDURILE PROPRIETATII PRIVATE.

In luna decembrie a anului trecut a fost incheiata actiunea de distribuire a certificatelor de proprietate. Pentru constituirea portofoliului de actiuni al fiecarui FPP si prezentarea primei valori a certificatelor de proprietate, este in curs de desfasurare activitatea de semnare la Ministerul Finantelor a actelor de transmitere a cotei de 30% respectiv 70% din actiunile societatilor comerciale catre FPP-uri si, respectiv, FPS.

In vederea operationalizarii FPP-urilor, care, prin lege, trebuie sa asigure schimbarea certificatelor de proprietate cu actiuni ale societatilor comerciale ce le sint arondate, sint in curs de desfasurare tratative cu privire la asigurarea de asistenta tehnica din strainatate pentru fiecare dintre acestea.
In acest sens, FPP II Moldova beneficiaza deja de asistenta tehnica, finantata de Guvernul Olandez, pentru o perioada de un an.

Personalul FPP-urilor, cit si al FPS-ului a participat la cursuri de pregatire organizate in vederea cresterii nivelului de performanta.

4. PROGRAME DE ASISTENTA TEHNICA PENTRU PRIVATIZARE

Incepind cu anul 1990, dupa ce Romania a facut primii pasi pe drumul tranzitiei spre economia de piata, a inceput sa beneficieze si de acces la diferite surse bi si multilaterale de asistenta tehnica, vizind diferitele domenii ale procesului de reforma.

In acest context, Agentia Nationala pentru Privatizare - ca organism guvernamental cu sarcini in realizarea cadrului legislativ si institutional al procesului de privatizare, a actionat pe de o parte in directia atragerii experientei deja existente in acest domeniu si, pe de alta parte pentru gasirea unor surse de finantare in scopul realizarii obiectivelor sale.

Asistenta tehnica din strainatate a fost directionata si, in acelasi timp etapizata, functie de prioritatile procesului de privatizare, asigurindu-se realizarea urmatoarelor obiective:
- crearea cadrului legislativ si institutional necesar realizarii procesului de privatizare;
- implementarea prevederilor legale privind privatizarea.

Ca urmare a realizarii acestor obiective, in prezent asistenta tehnica se adreseaza in primul rind sprijinirii si intaririi capacitatilor institutiilor nou create - Fondurile Proprietatii - ca si ridicarii nivelului profesional al Agentiei Nationale pentru Privatizare, ca organ de coordonare, indrumare si control al intregului proces de privatizare.

Exista in derulare un program de asistenta tehnica, finantat prin programul PHARE, privind organizarea Fondurilor Proprietatii, care isi propune definirea unor strategii organizatorice pentru Fondul Proprietatii de Stat, si cele cinci Fonduri ale Proprietatii Private, inclusiv politici de recrutare a personalului, precum si asistenta in realizarea proncipalelor lor atributii. Organizarea Fondurilor Proprietatii, desi diferita intre cele doua tipuri, urmeaza sa fie caracterizata prin suplete si flexibilitate, putind asigura insa, mai mult decit atingerea simplelor lor obiective.

In continuarea acestui program este prevazuta, prin finantare PHARE si surse bilaterale - Guvernul Olandez, British Know-How Fund, US-AID, Guvernul Francez, Guvernul German - asistenta tehnica pe termen lung pentru conducerea Fondurilor Proprietatii. In cazul FPP Bacau aceasta asistenta a inceput, finantata de Guvernul Olandez.

Exista de asemenea prevazuta asistenta tehnica pentru sprijinirea realizarii programului anual de privatizare al Fondului Proprietatii de Stat, prin care se va asigura consultanta pentru tot procesul premergator incheierii tranzactiilor, inclusiv marketing si negocieri.

Pregatirea personalului Fondurilor, precum si asigurarea de echipament computerizat atit la nivelul Fondurilor cit si pentru realizarea unei retele informationale intre toate institutiile implicate in procesul de privatizare, sint alte doua domenii pentru care este asigurata asistenta tehnica, tot prin finantarea Programului PHARE.

La nivelul Agentiei Nationale pentru Privatizare, exista incheiate contracte de asistenta pentru consultanta juridica, consultanta in domeniul concesionarilor cit si pentru realizarea a doua programe de comunicatii, finantarea fiind asigurata de Programul PHARE si US-AID

Proiectul de Public Relations finantat prin programul PHARE, implementat in colaborare cu Agentia Romana de Dezvoltare, are ca obiectiv schimbarea atitudinii fata de Romania, prin promovarea catre grupuri selectate din tari ale Europei Occidentale, de informatii corecte si la zi despre reforma din tara noastra, despre oportunitatile procesului de privatizare, in scopul atragerii de investitori straini.

Proiectul de educare a populatiei, finantat de US-AID, isi propune constientizarea populatiei asupra avantajelor si oportunitatilor procesului de privatizare, inclusiv importanta certificatelor de proprietate, precum si promovarea conceptelor noi, specifice economiei de piata.

5. ACTIVITATEA DE CONCESIONARE

1. Concesiuni in curs de analiza si avizare de catre ANP:

a. Denumire concedent: CONSILIUL LOCAL AL COMUNEI CRISTIAN, Judetul Brasov

Obiectul concesiunii: teren in suprafata de 31.400 m.p., situat in zona limitrofa a comunei Cristian, destinat realizarii unei investitii al carei obiectiv va fi o fabrica de cherestea si mobila, precum si

cladiri de natura sociala pentru angajati.

b. Denumire concedent: PRIMARIA ORASULUI SACELE, jud. Brasov
Obiectul concesiunii:teren in suprafata de 398.745 m.p., situat in extravilanul orasului Sacele, destinat realizarii obiectivului de investitii "Supra-inaltarea Baraj Sacele - etapa I - jud. Brasov", ce va asigura necesarul de apa potabila pentru populatia Mun. Brasov si a orasului Sacele.

c. Denumire concedent: ADMINISTRATIA PORTULUI CONSTANTA R.A.
Obiectul concesiunii:teren in suprafata de 910 m.p., destinat construirii unei cladiri cu parter, mezanin si 5 etaje pentru desfasurarea unor activitati de birou si depozitare - comercializare marfuri.

Documentatiile aferente acestor propuneri de concesionare sint in curs de completare, la recomandarea Consiliilor de experti.

De asemenea, exista si alte propuneri de concesiune ce sint in faza de elaborare a documentatiei (Studiul tehnico-economic si Caietul de sarcini).

2. Pregatirea derularii programului de asistenta tehnica de specialitate din strainatate.

In cadrul programului PHARE de privatizare-restructurare initiat de Comunitatea Economica Europeana, s-a obtinut aprobarea finantarii unui program de asistenta tehnica de specialitate din strainatate. In urma elaborarii "Termenilor de referinta" ce au fost trimisi la sediul CEE, a avut loc, in data de 14.01.1993, licitatia de selectie a firmei de consultanta ce va acorda asistenta tehnica solicitata.

Licitatia a fost cistigata de consortiul format din Banque Paribas si firma Clerest in asociere cu Jeantet & Associes, iar in prezent contractul, incheiat intre Agentia Nationala pentru Privatizare si reprezentantul Consortiului, a fost trimis spre andosare la sediul Comisiei Comunitatilor Europene. Asistenta tehnica se va desfasura pe o durata de 26 saptamani, in cursul anului 1993, programul respectiv avind ca obiective:
- analiza regimului concesiunilor in diferite tari ale lumii;
- analiza critica a dispozitivului legal existent in Romania, cu propuneri concrete pentru perfectionarea acestuia in vederea promovarii concesiunilor;
- definirea si dezvoltarea criteriilor de selectie pentru sectoarele de activitate favorabile instituirii unor concesiuni;
- definirea tehnicilor de instituire a unor concesiuni, exemple concrete de aplicabilitate in Romania;
- definirea procedurilor de promovare, dezvoltare si control al concesiunilor;
- selectarea a 3 concesiuni-pilot si coordonarea instituirii lor (de la pregatirea documentatiei si gasirea potentialilor concesionari pina la negocierea contractului de concesiune);
- organizarea unor seminarii de formare a specialistilor romani in domeniul concesionarii.

6. DATE STATISTICE REFERITOARE LA VINZAREA DE ACTIVE LA DATA DE 26/03/93

I. ACTIVE SELECTATE PENTRU VINZARE

1. Numar active selectate pentru vinzare:
TOTAL: 6198 active din care:
• 4156 (67.05%) active apartinind societatilor comerciale de interes local;
•2042 (32,95%) active apartinind societatilor comerciale de interes national(din care retrase de la vinzare: 58).

2. Volumul anual de activitate al activelor (conform anexei nr.2 la H.G. nr. 634/1991):
TOTAL: 6198 active din care:
•6113 active au comunicat date valorice insumind 122.249.297. mii lei.
•85 active au comunicat volumul exprimat in unitati fizice.

3. Numar de salariati in activele selectionate pentru vinzare:
TOTAL: 6198 active din care:
•4592 active detin un numar de 41799 angajati;
•1606 active nu detin angajati.

4. Clasificarea activelor selectate pentru vinzare, pe tipurile preponderente de activitati:

- Comert:	2996 active din care: 2235 active detin un numar de 5954 angajati;
- Turism:	1753 active din care: 1438 active detin un numar de 12078 angajati;
- Industrie:	536 active din care: 356 active detin un numar de

	13216 angajati;
- Servicii:	289 active din care: 166 active detin un numar de 1181 angajati;
- Transporturi:	43 active din care; 40 active detin un numar de 1154 angajati;
- Agricultura:	192 active din care: 147 active detin un numar de 1652 angajati
- Alte activitati:	389 active care detin un numar de 6564 angajati.

II. ACTIVE VINDUTE LA DATA DE 26/03/93

1 Numar de active vindute:
• 1894 active

2. Volum anual de activitate al activelor vindute (cf. anexei 2 la H.G. nr. 634/1991):
•14.490.379 mii lei

3. Numar de angajati in activele vindute:
• 9551 angajati

4. Valoarea contabila a activelor vindute:
•3.201.108.325 mii lei

5. Valoarea contabila actualizata activelor vindute:
TOTAL: 14.269.364.316 lei

6. Pretul de pornire al licitatie:
TOTAL: 18. 498.392.902 lei

7. Pretul de adjudecare al activelor vindute:
TOTAL: 22.815.296.216 lei

III. REPARTITIA ACTIVELOR VINDUTE PE DOMENII DE ACTIVITATE:

- Industrie	111
- Agricultura	27
- Transporturi	3
- Constructii	11
- Comert	1125
- Alimentatie Publica si Turism	460
- Servicii	72
- Alte Activtati	85

IV. REPARTITIA ACTIVELOR VINDUTE PE LUNILE ANULUI 1992 SI 1993:

Total: 1992	1529
- Ianuarie	24
- Februarie	17
- Martie	64
- Aprilie	88
- Mai	126
- Iunie	160
- Iulie	183
- August	219
- Septembrie	175
- Octombrie	142
- Noiembrie	146
- Decembrie	185
- Ianuarie 1993	135
- Februarie 1993	161
- Martie 1993	69

STATUS REPORT ON REMAINING DELIVERABLES

Task Title: Development of core privatization communications materials

The revised workplan calls for a reduced level of support for NAP publications/ materials. Our task remains to develop the following core privatization communications materials:

- A monthly privatization *newsletter*;
- A reformatted privatization *bulletin*; and
- A privatization *brochure*.

We plan to publish the first privatization newsletter in August using as models privatization newsletters produced in other former socialist countries, with the content coming from the NAP, the State Ownership Fund, the Private Ownership Funds and other sources. The extremely slow pace of privatization, uncertainties about the viability of the few privatization's that have occurred, bureaucratic struggles over NAP's role in the process (as opposed to that of other agencies), and a lack of information from the NAP have delayed the launch of the newsletter.

The first issue of the reformatted privatization bulletin appeared in May. We are currently helping produce the second issue, which will appear in August. USAID has been provided with a copy of the first bulletin.

We are prepared to begin work on the NAP brochure as soon as the Agency makes available the work that has been done by Saatchi & Saatchi. The Saatchi & Saatchi brochure is designed for investors in England, France, Germany and Italy; ours is to be designed for Romanian audiences. We plan to use photos and artwork from Saatchi & Saatchi in our brochure in order to save money. In addition, our feeling is that both the foreign and domestic brochures should have the same look.

Deloitte & Touche

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July 7, 1993

Gary Maher
EUR/RME
U.S. Agency for International Development
320 21st Street, N.W., Room 4725
Washington, DC 20523

Re: **Contract No. EUR-0014-I-00-1056-00, Deliverable for Delivery Order No. 22, Romania: Privatization Public Awareness Project**

Dear Mr. Maher:

In accordance with Article IV of the referenced delivery order, enclosed please find four copies of the following deliverables:

1) Phase I: Initial Research (A)

2) Phase I: Initial Research (B)
Strategy Planning
Immediate Tactical Support
Advisors Report

These deliverables were prepared by the Deloitte & Touche team working in Romania in conjunction with our subcontractor, Sawyer Miller Group, and consultant, Miles Wortman. If you have any questions concerning these deliverables, please call Lynne Damon at (202) 879-5386. Thank you.

Sincerely,

Kathleen J. Machen

Kathleen J. Machen
Operations Manager

Enclosure

ROMANIA GRASSROOTS REPORT

June 15, 1993

Report prepared by: Miles Wortman

ROMANIA GRASSROOTS REPORT

Executive Summary and Recommendations

I. Project research indicates that a sizable percentage, perhaps a majority, continues to support the ideas of privatization and liberalization in Romania, but support is waning under bureaucratic and media attacks and because of the long economic recession. A public relations campaign is urgently needed both to reinforce this support as well as to explain to all Romanians the benefits of a market economy and privatization.

II. The key goal is to remove principals of the market economy and of privatization from the political theater of controversy towards one of acceptability which all political groups will accept. From a foreign perspective, this should be an easy task, given the weak, inefficient and wasteful nature of the Romanian productive apparatus and the impressive natural resources that Romanian possesses in its soil, minerals and educated population. However, the old guard continues to sabotage the move towards modernization.

III. A traditional public relations campaign is impractical because the major channel for information in Romania, the national television network, is controlled by groups antagonistic to the liberalization principals. Newspaper and radio organs are too fragmented and politicized to reach any sizable audience on their own.

IV. Therefore, a grassroots campaign is recommended work with local organizations in separate regions in Romania in order to galvanize support among those groups and leaders favorable to liberalization and expand this nucleus to other sectors. Optimally, separate and independent campaign weeks would be organized in every major population and judette center. These well-publicized regional campaigns would each be organized with separate groups and messages, given the conditions of each region. In some areas, seminars and meetings would be held, sponsored by local Chambers, industrial organizations, student and labor groups. Elsewhere, the National Agency for Privatization and/or the Private Ownership Fund would take a large role. In some areas, independent radio and television would be employed more. The campaign would identify and bring together the strongest supporters of liberalization and use them with the strongest, local communication channels.

V. Because independent grassroots organizations of the type that exist in western societies, or in developing nations in Africa and Asia, scarcely exist and are only beginning to form in Romania, a grassroots campaign in support of privatization and a market economy must be based upon quasi-public and quasi-private groups that support liberalization. To run a strong, nation-wide campaign, linkages must be made between leaders in public office and businessmen and women, parastatal managers working towards buyouts of their firms, student groups. All groups favorable to liberalization should be included. Government agencies, politicians, labor leaders and any other individuals and organizations willing to sign on, and provide resources for the campaign should be welcome.

VI. Among groups and individuals identified for a grassroots campaign are local offices of: the Prefectures, the National Agency for Privatization, the Private Ownership Funds, the Romanian Development Agency, the industrial and agricultural Patronats, the labor unions, the Chambers of Commerce, Entrepreneur Associations, Judette Councils, the Mayor's Office, Small and Medium Enterprise Centers, Professional Associations, Academic Associations, radio, newspaper and television media, informal business organizations, the Soros Foundation and UNIDO, A specific map of most grassroots groups is presented below. The relative support for liberalization and privatization in each of these groups varies and thus, care must be taken to select supporters on a region-by-region basis.

VII. Strict care must be maintained so that the messages of liberalization and privatization are not usurped by political, business or other groups for their own ends. Like most of the nation and government officials, most organizations remain poorly informed of liberalization, privatization and economic trends. To avoid misinformation or political machinations, the public relation campaign must develop the "messages" and present them with the support of local leaders, rather than having independent individuals create their own "spin" on the process.

VIII. Identification with USAID will reinforce the strength of the campaign, given the positive image of the United States in most areas of Romania. Nonetheless, the campaign is a Romanian project and great care must be taken to insure that technical support does not supplant local participation and leadership.

IX. A four-week analysis of Romanian grassroots organization has revealed little commonality between regions in Romania. Because of this, a national framework for a grassroots campaign would be difficult to devise; campaigns must be organized on a region-by-region basis. In some areas, Chambers of Commerce represent effective voices for the private sector and are working to develop training and other skills for local businessmen. Elsewhere, they are corrupt tools for a few local interests to garner wealth. Some Prefects -- appointed by the national government -- are strong supporters of liberalization and recognize it as inevitable. They will work with the campaign. Others are unalterably opposed.

X. Strong regional tendencies affect support for liberalization and privatization. Independence of action away from the distant national government is a key factor in the west and north of the country, especially in Timisoara, Arad, and Cluj. In these areas, politicians and high government managers of all tendencies will work closely with the campaign. Elsewhere, support is more mixed. In Brasov, Constanta, Suceava, Baia Mare and Iasi, local political leaders and groups are favorable whereas national representatives are more opposed. Opposition in Craiova and Bacau is very strong and/or corrupt; these areas should be avoided for a regional campaign.

ROMANIA GRASSROOTS REPORT

Background

In November 1993, a team of technicians from Sawyer, Miller and Deloitte Touche assessed the possibility to perform an effective public relations campaign in support of privatization in Romania. At that time, it was determined that a television campaign might not succeed because of political resistance within the sole national network, controlled by the government, and because of a lack of resources. A decision was reached to attempt to two-prong approach: 1) To develop a network of interest-groups around the nation, grassroots organizations, that would support and provide assistance to a public relation program in support of privatization; and 2) To develop a program to use television resources in the event that an arrangement could be made with television stations.

Initially, the public relations campaign was to aim primarily at promoting the privatization voucher scheme, as developed by the National Agency for Privatization (NAP). Subsequently, the project has expanded its focus to the market economy, to provide information on how private enterprise works and the benefits to be gained there of.

The conclusions of this study are based upon on-site investigation of grassroots and political organizations by Catalina Stan, Steven Johnson, Miles Wortman and officials of the NAP, done over a twenty-five day period in Bucharest, Constanta, Giurgiu, Craiova, Timisoara, Arad, Brasov, Bacau, Iasi, Suceava, Cluj and Baia Mare. Interviewed were officials and members of government and private organizations including Prefectures, Mayor's Office, Council Presidents, Chambers of Commerce, Entrepreneurial Associations, Business Associations, informal business groupings, media groups, student organizations and independent private businesses.

As part of the investigation, contacts were made with leading officials of these associations and informal linkages established that will enable the forthcoming public relations campaign to use their offices, resources, and networks.

Overview

The movement towards democracy in Romania is four years ago. During that time, political organizations and private enterprise have grown rapidly. A pluralistic political system has emerged with different political parties controlling different levels of government. In the meantime, the old guard continues to dominate the huge state bureaucracy that influences much of the economic life of the nation. The Romanian people, unsure of their future, appear to vacillate between support for the security of the old system and the economic promise and political freedom promised by the new. The sole national television network, under the President's control, is a propaganda machine that maintains an ongoing propaganda attack against private business, arguing that mini-scandals and small customer frauds epitomize capitalism.

The macroeconomy is frail and short of capital; most available resources are devoted to shoring up deficit-ridden state enterprises. A sizable black market has arisen that blends in with the new private sector, attempting to gain advantage of the new freedoms but to avoid the confiscatory tax regime that renders private enterprise difficult. A clear generational shift is also taking place, as younger managers replace the old guard in many areas of government and productive enterprises.

Independent grassroots organizations of the type that exist in western societies, or among developing nations such as in Africa and Asia, are only beginning to take shape in Romania. Fifty years of Socialist rule badly damaged individual initiative; it also harmed the tendency by interest groups to organize. Labor unions became synonymous with the ruling structure; agricultural cooperatives meant state collectivization; Chambers of Commerce were organizations to coordinate state enterprises.

Where they have organized, over the past four years, Romanians have devoted most of their efforts to the political theater, in the organization of political parties. But since most sectoral interest groups have yet to be privatized, interest-group politics have been slow to emerge. Where they have organized, many lack human and capital resources, or are, in reality "corrupt" agents for a few entrepreneurs attempting to gain advantage through the political arena. The small grassroots organizations that now exist are mostly unstable, both functionally and financially.

While western-style grass-roots organizations have been slow to organize, there does exist a large number of quasi-public and quasi-private groups that will serve as an effective network for a public relations campaign. Out of the ashes of the old regime has emerged a number of effective offices, some with government sponsorship, that are representing localities and private sector initiatives. Youthful and dynamic new officials, some from the ruling party and others from the opposition, are using their position to organize for interest groups.

Thus, the map of grassroots organizations is spotted with some small, private groups, some quasi-public institutions and some effective officials who represent local interests. In those areas where private enterprise and political pluralism is strongest, the west and Transylvania, interest group organizing appears to be growing well. In other localities, they are less strong.

Only three years after the revolution, the nation is searching for an economic and political model that will best serve its interests. Similarly, at the local level, grassroots organizations are struggling to emerge and influence the political and economic life of the nation.

In conclusion, these broad generalizations have emerged from this study:

1. The strongest grassroots organizations receive outside financial support. Chambers of Commerce have built-in subsidies through legislation, given the responsibility to register all businesses. Other organizations are quasi-official organs that are serving to galvanize grassroots movements.

2. Independent, grassroots groups representing specific interest-groups have yet to emerge. The western model of freely organized organizations does not yet exist in most areas in Romania, because private business is still weak and in many areas, sub-rosa, fearful of government reprisal. Government organizations and entrenched bureaucracies frequently fight against independent interest groups. Labor, farm, student and professional organizations are still closely tied to state groups, for the most part.

3. Nonetheless, many quasi-state organizations have taken on the mode of being grassroots organizations, representing interest groups. Members are using regional and municipal organizations to further specific goals, such as privatization, business interests, and regional concerns.

4. Substantial public and private organizations are eager and willing to work with a grassroots campaign to promote a liberal market economy. They will devote time and resources to assist in dispersing printed material and organizing seminars.

5. Like most of the nation and government officials, most organizations remain poorly informed of liberalization, privatization and economic trends. A recent, EBRD report on Romanian privatization urged, as its first suggestion to "increase general awareness as well as special interest groups and the public of the workings of a modern economy and, secondly, to improve the communication between the governing and the governed."

The Structure of Grassroots Groups

Under the old system, most organizations devolved their authority from the national government in Bucharest, like a wheel, with the hub in the capital and communication, finance and power dispersed outward through the struts to the rim. Today, the wheel is broken but not destroyed, some struts remain, many are splintered and some no longer exist. Where national organizations remain in place, their power is now more based on a combination of local and national support. Indeed, they must curry favor with localities in order to survive. Some organizations have become regional in nature rather than national. But generalization is impossible, because each national organization has varied strength, influence and policies in each locality. In some areas, the regional chapter is strong and enjoys support of local constituents. In others, the structure barely exists. In still others, the office serves as a sinecure for a political hack.

Chambers of Commerce represent a case in point. Whereas the national Chamber of Commerce in Bucharest pretends to represent the interest of all the local Chambers, the regions refuse to recognize the capital. Some have formed into an organization of regional organizations while others are moving ahead independently. Some have received outside support, from Italy, Germany and Britain and are very dynamic. Some only serve a small number of businessmen, who use the Chamber's financial resources for their own purposes, while others have adopted traditional Chamber activities. In between, there is a large gray area.

The greatest regionalism and therefore the greatest grassroots and private sector strength, is in the west and in Transylvania. The local Chambers, the regional offices of the National Agency for Privatization (NAP) and the Private Ownership Funds (POFs), entrepreneurial groups, business associations, agricultural cooperatives, student organizations and media are working in cooperation to advance local interests and to work in the manner of traditional grassroots organizations. At the other end of the extreme are those areas that remain loyal to the old system, such as in Craiova, where the Chamber of Commerce is barely functioning and the POF has not yet been organized.

What follows is a general map of organizations, offices and informal groupings that may be used to assist in a national public relations campaign in support of privatization and liberalization. However, it is the individuals, rather than the organizations, per se, that will determine the degree of cooperation. Because grassroots and all other organizations are in their formative stages, officials have broad areas of discretion and will devote the resources of their office to the campaign if they generally agree with the its aims. Because of the apolitical nature of the campaign, political parties are not included.

National Organizations with Regional Offices

While most of these organizations are loyal to national party, many represent a liberal wing and understand the need for reform. They represent at least a sizable minority of the Romanian participation. Their participation in a grassroots campaign should be sought and encouraged.

Prefecture: The local administrator appointed by the national government, from the ruling party but from the region.

National Agency for Privatization (NAP): The NAP maintains regional offices in most metropolitan areas that are meant to serve to coordinate the privatization campaign, to assist in management buy-outs (MEBOS), and to work with POFs. Staffed with officials from the locality, they are a strong resource for networking and coordination. Many, but not all, of these offices are eager to assist in the public relations campaign.

Private Ownership Funds (POFs): There are five POFs meant to coordinate the management and share ownership of small and medium sized enterprises. The POFs are centered in Arad, Brasov, Bacau, Bucharest and Craiova but maintain regional offices in the regions they administer. Each POF also has responsibility over one specific sector. Arad controls wood and furniture industries, Brasov, tourism and shipping, etc.. The level of capacity and preparedness differs between each agency. The Arad POF is, by far, the most advanced in its operations while the Craiova office has not yet been established. Part of the function of the POFs is to provide sufficient information to the populace as a whole and to the workforce, in particular, to enable them to participate knowledgeably in MEBOs and the voucher schemes. As such, the POFs should be a key point for coordination in a public awareness campaign.

Romanian Development Agency (RDA): The RDA is responsible for promoting international investment in local business as well as working to develop business skills. They have offices and centers in most major cities and, as with the other government organizations, their capability and willingness to participate, varies greatly.

Patronats: Industrial organizations that represent state industries, by and large, in Bucharest and that administer state industries in the regions. They represent industries in wage and price negotiations. They are intricately involved in decisions relating to sourcing, from state firms, as well as sales quotas for critical industrial materials. As such, they can take critical decisions, working to prop up state enterprises through the supply mechanism. Among other industries, individual patronats represent industries involved in agriculture, textiles, woodworking and furniture, chemicals, oil, mining, transportation, etc. etc.

Labor Unions: Syndicates theoretically represent the rank and file in labor negotiations. Under the new regime, they are closely tied with the old order and play an intricate part in political decisions and demonstrations. Their management owes its tenure to the national government. Whereas in the past, syndicates were as much loyal to government as to workers, their role has now been transformed to a more western role. Workers, in deficit-ridden state enterprises, fear for their jobs and for their wages. On the other hand, workers in small firms that are represented by the syndicates, are in opposition to the official line and are working to push for price and wage liberalization.

Chambers of Commerce and Industry - 1: A portion of the function of the local chambers is to register all firms for the national government. The chamber does not have a regulatory function; rather, it is merely a bookkeeping office. In addition, the Chamber assists business in filling out forms and transmitting applications to the appropriate national authorities. The National Chamber of Commerce is supposed to coordinate all functions for the local Chambers. But its offices, in Bucharest, also serve as the offices for the Bucharest Chamber. There is strong regional resentment against any initiative coming from the central office and, in fact, any cooperation with the national Chamber should be limited to the Bucharest office alone.

Entrepreneurs Association: Under the same 1990 legislation that established independent Chambers of Commerce and Industry, Entrepreneurs Associations were authorized to provide a force for small businessmen. Implementation has been difficult, however. Whereas the Chambers do provide the Association with office space and some support, they lack the wherewithal to develop into a strong organization. Also working against them is the general tendency of entrepreneurs to be suspicious and to work alone, outside of organizations.
Regional Offices

Judette (Province) Councils: Elected officials that oversee regional affairs. They are frequently not of the same party as the prefect but must work closely with him/her in local matters. They can be important contacts to assist in the organization of the public awareness campaign.

Local Offices

Mayor's Office: The Mayor is elected and is, more times than not, in opposition to the national government and therefore to the prefect. While municipal governments, to date, lack much financial resources (because all fiscal income goes to the national government), they are the voice of local government and serve to pressure Bucharest on local interests.

Chambers of Commerce and Industry - 2: The same Chambers as listed above work to enhance member's business. They provide information as to markets, run trade fairs and offer training seminars. They work closely with other local offices in transmitting information on business trends in the area. All Chambers have a weekly or month publication, some have limited circulation while others are provided with local newspapers.

There are 38 "territorial" Chambers of Commerce, many of which will work closely with a public relations campaign.

Small and Medium Enterprise Centers: In many major cities, international agencies are sponsoring these centers for small businessmen. Some of the centers have good networks for a public relations campaign. The two major efforts are sponsored by the United Nations Center for the Promotion of Small and Medium Private Enterprises and the USAID training project under the auspices of Washington State University.

Professional Associations: All professional groups have independent associations that represent their concerns to Bucharest. Under the old regime, lawyers, doctors, accountants and others were, per force, linked to the government. Today, these groups are among the leaders in promoting change and while maintaining their link to the capital, have shifted their focus much more to local issues. As such, they can play a critical role in the public relations campaign.

Academic Associations: As with professional groups, academic associations have split away from the old guard and have become independent forces for action. In the major academic centers (Bucharest, Timisoara, Iasi, Cluj, Brasov), they play an important role in both the political and technical sphere. Many academic associations have developed close associations with Chambers and work to train businessmen. The national Association of Economists, which brings together professionals from all political opinions, will be a key resource in any public relations campaign, providing manpower as well as introductions to other interest groups. In addition, each academic institution has local organizations which may be helpful to the campaign. In Timisoara, for example, the AIESEC program is developing.

Informal Business Groups: Whereas most of the new businessmen do not participate in formal organizations, they are linked through informal methods, be its trade, capital or family. This is particularly true in Timisoara, Arad, Cluj and Baia Mare where officials of the NAP, POF, Chamber and municipal government are able to identify some of these groups.

The Soros Foundation For An Open Society: The Soros Foundation maintains offices in most major cities in Romania. It is willing to use its auspices and networks to cooperate in a public relations campaign.

Media

The Romanian media is highly politicized. Every organ, be it television, radio or newspaper, represents the political view of its owner and does not vary from that view. This presents a public relations campaign with difficulties, because it has difficulty reaching the very audience it seeks to influence, that political view that is skeptical of liberalization and privatization.

A key problem facing the media is the lack of training and education of the news staffs. Even when facts are presented, reporters tend to misunderstand their significance and misreport the issue. However, this is not a problem limited solely to Romanian media. Nonetheless, this lack of preparedness, makes public relations programs difficult to develop because of the poor filter that the reporters present.

Television: The national television network is controlled directly by the Office of the President in Bucharest. Its bias has not been favorable to the market economy. It is willing to air a public relations campaign but only through paid advertising. This is both expensive and impossible, because of legal restrictions.

Local, independent television stations do exist and are in the process of forming into a network, but they are new and extremely undercapitalized. While they are likely to play a critical role in the future, they are still in the formative stage and are not likely to leave it during the duration of this contract. Most of these stations broadcast a few hours a week and only at unpopular times, very late at night and on weekends, hours when the national television channel is not using its transmitter.

Radio: Radio is accessible but the market is highly fragmented into many stations and many regions.

Newspapers: Romania is a nation with many newspapers. Most cities have eight to ten separate, daily publications and another five to ten weekly journals. As with other media, the newspaper prints the political position of its ownership. For national news, the newspaper rely on Rompress, the national, and government controlled, news agency.