

**“A NEW VISION REGARDING THE ROLE
OF BUSINESS ASSOCIATIONS IN THE
DEVELOPMENT OF ROMANIAN
TOURISM”**

A Forum sponsored by

The Center for International Private Enterprise and the United
States Agency for International Development

FEBRUARY 15th and 16th, 2001
PRESIDENT HOTEL
MANGALIA, ROMANIA

FORUM AGENDA

“ A New Vision Regarding the Role of Business Associations in the Development of Romanian Tourism”

FEBRUARY 15-16, 2001
HOTEL PRESIDENT, MANGALIA, ROMANIA

Thursday, 15 Februarie

- 10:00 *Introduction and Opening Remarks*
Mark T. McCord, CCE, Chief of Party CIPE Romania

Daniel Vasilescu, President, Tourism Employers Federation
- 10:20 *Strategy of the Ministry of Tourism*
Alin Burcea, Secretary of State, Ministry of Tourism
- 10:40 *Overview of Tourism Sector*
Dragos Raducan, Executive Manager, Tourism Employers Federation
- 11.00 Coffee break
- 11:15 *Competitive Factors in Tourism*
Mark T. McCord, CCE, Chief of Party CIPE Romania
- 11:45 *Panel discussion: Financing Opportunities for the Tourism Industry*
Gabriela Silvasan, Mirela Rosca, Romanian American Enterprise Fund
Aura Raducu, European Union Commission
Ana Maria Mihaescu, International Fund Corporation
- 12:45 Lunch break
- 14.00 *Case study: Promoting Regional Tourism*
Magda Tepoi, Director, Chamber of Commerce and Industry Iasi
- 14:30 *Working Sessions: Strategic Planning in Tourism*
- 16:30 *Closing Remarks*
Mark T. McCord, CCE, Chief of Party CIPE Romania
- 19:00 Dinner

Friday, February 16

8:00 Breakfast

9:00 *Working Sessions: Strategic Planning in Tourism*

11:00 Coffee Break

11:15 *Working Sessions: Strategic Planning in Tourism*

13:15 *Closing Remarks*
Mark T. McCord, CCE, Chief of Party CIPE Romania

13:30 Lunch

Overview of the Tourism Sector in Romania in the Last Ten Years

**By Dragos Raducan, Executive Director
Tourism Employers' Federation**

After the revolution in December 1989, Romanian citizens had the right to travel abroad. Consequently there was an explosion of international tourism that took the form of mass tourism towards such destinations as: Turkey, Bulgaria and Hungary. Since Romanians are an intelligent and flexible people, they have quickly transformed tourism into a business.

This phenomenon has been considered as a business opportunity by many people. They have established thousands of travel agencies that dealt with low traffic tourism.

Former employees in the state sector who had been working in tourism have also established many travel agencies. They started to compete and even to surpass the former travel agencies with state capital that gradually privatised or disappeared.

As far as the hotel and restaurant activity is concerned, its evolution was slower because of the difficulties in changing the ownership status. In 1990 there were no changes in this field because the hotel privatisation started much later.

As to the tourism transportation by car, for a long time there have been only 2 companies that carried out this type of activity. They have been having a hard time in surviving in the transitioning economy.

In this dynamic economic environment full of unpredictable events, people felt the need to get together in order to overcome more easily the difficulties of the transition period. The decentralization of the activities led to a power void and it was necessary to establish some associations that should take over a part of the tasks and responsibilities.

This is how ANAT (National Association of Travel Agencies) came into being. This is a professional association that aims at protecting the interests of the travel agencies. 90% of their capital is private capital. Another strong association was established - AHR (the Romanian Hotel Association), a professional association of the people working in the hotel sector. Afterwards associations were established representing each profession in the hospitality industry, such as:

ANCBT – National Association of Cooks and Pastry Chefs in Tourism

ANBCT- National Association of Waiters, Barmen and Wine Connoisseurs in Tourism

ANMT – Maitres d'hotel National Association

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Conference and meeting planners have also established a new but very strong association – RCB (Association of Professional Organizers of Conferences and Exhibitions).

Of course these are only some of the professional associations in tourism. In recent history there were more than 65 tourism associations in Romania. Some of them disappeared and others merged together so at present there are about 25 active organizations.

Parallel to the professional associations, employers' associations and trade unions have developed.

At first, employers' associations were regional and they included managers and directors of the state-owned tourism companies. These regional organizations united and made up the Tourism Employers' Federation and then Employers' Federation of Spa Tourism in Romania. As the employers' organizations got together, tourism companies were privatised. At present 80% of the FPT members are private companies.

It is interesting to follow the evolution of the relations between tourism business associations. At first the 3 representative associations ANAT, AHR and FPT had similar by-laws. From the point of view of the organizational structure there was a positive thing: the president of one association was at the same time vice-president of the other two.

But little by little the evolution of these associations led to disagreements because each of the leaders considered himself to be better than the others. These disagreements were augmented and exploited by people who were against associations getting stronger and who did not want to have as a partner for discussion a strong coalition of business associations.

Therefore the importance of each association decreased in their relation to the Government officials, press representatives and, which is worse, in their relation to their own members, who no longer felt protected and represented by the association whose members they were. Unfortunately this phenomenon is very common and it manifests itself in all Romanian associations, irrespective of the geographic area and sector of activity.

Since the tourism sector is in decline, the investments are small and the services quality decreases and leads to de-professionalism, it is time to take action and stop saying "somebody has to do something".

The tourism business associations should identify their role in the development of this sector of activity and to adopt the same strategies of action because we can succeed if we stay together.

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Competitive Factors in Tourism

A Blueprint for Romania's Tourism Sector

Mark McCord, CCE
Chief of Party, CIPE Romania

Competitive Factors

- ◆ Scenery/Climate
- ◆ Cost of Travel
- ◆ Service
- ◆ Facilities
- ◆ Target Customers

Scenery/Climate

- ◆ A recent EU study cited these as the two most important factors in the selection of a destination.
- ◆ Nearly 63% of Europeans choose the sea, while 25% choose the mountains.
- ◆ Every country has scenic areas and good weather at certain times of the year, thus other competitive factors are important.

Preferred Destinations

Cost of Travel

- ◆ 35% of Europeans say that value is a significant factor in their destination decision.
- ◆ The perception of value at tourism areas in Romania has declined since 1989.
- ◆ Value is very important to emerging economies that do not have international attractions.

Regional Tourism Quality and Cost Comparisons

Factors Affecting Quality

- ◆ 51 major properties are still not privatized.
- ◆ 50% of these properties are on the Black Sea Coast and 30% are in the ski areas.
- ◆ Tax structure limits investment in maintenance.

- ◆ Labor costs are low, but employment taxes, insurance and retirement fees are a disincentive to increasing the workforce.

Service

- ◆ Service is becoming increasingly important to tourists.
- ◆ Price shoppers don't expect the best service, but they also look for value.
- ◆ Senior Citizens and young professionals with high disposable incomes cite service as a significant factor in whether or not they will RETURN TO or RECOMMEND a destination.

Facilities

- ◆ Accommodation does not have to be elaborate, but must be clean and modern.
- ◆ Resorts are expected to offer a higher level of accommodation than other types of properties.
- ◆ Friendliness and customer service are enhancers.

Target Customers

- ◆ According to an EU study, seniors tend to prefer travel to urban areas over travel to the sea or mountains.
- ◆ Younger people tend to prefer the sea and mountains.
- ◆ Professionals and higher income travelers tend to prefer experience-oriented travel.

Destination Preferences in EU by Age

Conclusions

- ◆ Romania has lost much of its share of foreign tourists.
- ◆ Romania is not visible on the international tourism scene.
- ◆ Romania is perceived as a higher cost/lower value destination.
- ◆ Promotion efforts have not reached target audience.

Increasing Competitiveness

- ◆ Advocacy by tourism sector business association to create solid legal, investment, and promotion framework.
- ◆ Development of a medium and long-term strategic plan to identify niche markets and customers.
- ◆ Development of a strategy to increase the level of service at hotels and restaurants.

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Magda R. Tepoi

Iasi Chamber of Commerce and Industries, General Division, Director

Magda Tepoi is the Head of the General Division in the County Iasi Chamber of Commerce and Industries. She is also the CEO of the Romanian Business School that functions as part of the County Iasi Chamber of Commerce and Industries, as well as tutor at the Chemistry Department of the "Gheorghe Asachi" Technical University and at the Economy and Business Administration Department of the "Alexandru Ioan Cuza" University.

As part of her work with the County Iasi Chamber of Commerce and Industries Magda Tepoi was involved in the development of alternative services that are particularly important for the business environment: international relations and financial consulting. She organized economic missions all over the world, from Moscow to Vienna and from Stockholm to Dubai. She was also involved in the implementation of a number of projects financed by the Romanian Government, USAID, CDC, CESO.

All the while, she improved her professional skills in domains related to the Chamber of Commerce activity, at the Eurochambres Academy in Spain and at the Madrid Chamber of Commerce and Industries. At present she is preparing for her Doctor's Degree with a paper on "The Role of Chambers of Commerce in the Development of International Commerce."

The County Iasi Chamber of Commerce and Industries was set up through a High Royal Decree in 1864 and operated as such until 1949. The year 1990 saw the resumption of its activities after 40 years of silence. In continuous development, the Chamber increased its range of services with new Departments and Services and at present covers almost every need of its members: carrying through all the necessary formalities for the incorporation of a company and listing it in the Trade Registry, organizing managerial training and improvement programs, organizing domestic and international economic missions, organizing promotion events, education programs, business consulting programs and putting together financing projects.

In view of the region's importance as a growing market (the Iasi area allows businessmen access to a daily market of about 200 million consumers in a radius of about 1000 kilometers) it became necessary for the County Iasi Chamber of Commerce and Industries to get involved in a series of very encompassing projects: building the first Technology Park in Moldavia, creating a Regional Resource Center for the development of tourism in the region, starting a Regional Advocacy Center, supporting a series of projects related to environment protection.

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CHOOSING AMONG FINANCING OPTIONS

Gabriela Silvasan, Investment Analyst

ROMANIAN-AMERICAN ENTERPRISE FUND

Information on the Romanian-American Enterprise Fund: www.raef.ro

Information on financing sources in Romania: www.mappm.ro > Informatii > Catalogul surselor de finantare

MAIN FINANCING OPTIONS FOR SMEs IN ROMANIA

- Personal funds of owner, friends, family
- Loans
- Equity
- Convertible loan/leasing
- Leasing
- Government Grants
- PHARE Grants
- Suppliers

DEBT

ADVANTAGES

- Typically cheaper
- Easier/faster accessible
- Control and profit not shared

DISADVANTAGES

- Access limited by collateral
- Pressure on cash-flow
- Limit to investment/growth
- Over-leverage affects credibility
- Exposure to interest/FX fluctuations

YES if:

- Collateral is available from you/company
- Collateral and cash-flow support the size of loan needed to complete development plan
- No spectacular boom, but dependable inflow of cash

NO if:

- Forecasted net profit is smaller than principal payment
- Collection of receivables is slow/syncopated

EQUITY

ADVANTAGES

- Partnership
- Assistance in strategy and business planning
- Reputation
- Introduction to the "right people"
- Liquidity and growth
- Shared risk of failure
- No collateral

DISADVANTAGES

- Shared control/information/profit
- Performance monitoring
- High selectivity

YES if:

- company has Growth potential balanced by risk you want to share
- You are a powerful and successful manager with a significant stake in the business, or you have a unique skill or product
- Barriers to entry exist
- Collateral does not match financing needs

NO if:

- Industry is in decline
- Company is just like all competitors
- You reject the idea of sharing your business

CONVERTIBLE LOAN/LEASING

What is it?

A loan/leasing that can convert to equity at the lender's option.

When does lender convert?

Lender decides to convert if company performs well.

ADVANTAGES

- Low interest rate
- Faster accessible than equity
- Deferred assessment and negotiation of co. value

DISADVANTAGES

- Company grants conversion option to lender
- Conversion mechanism can get complicated

YES if:

- Spectacular growth is relatively uncertain but it is a good cash business
- Both parties want to proceed, but you can not agree on valuation with equity investor

NO if:

- You reject the **idea of sharing** your business

PRESS RELEASE

FORUM TO FOCUS ON TOURISM ADVOCACY STRATEGIES

The Center for International Private Enterprise (C.I.P.E.), under contract with the United States Agency for International Development (U.S.A.I.D.), is responsible for working with Romanian business associations to enhance their ability to develop advocacy campaigns on issues that affect their members. Advocacy includes the identification of issues that affect business, the development of a strategy to address these issues, as well as lobbying the government to pass laws that are favorable to the growth of the private sector.

At an advocacy forum held on January 24, business association representatives from the tourism sector identified and prioritized issues that should be addressed. Many of these issues will become the basis for an advocacy strategy that is developed at an upcoming forum in Mangalia. At this two-day event, which will be held on February 15th and 16th, top officials from Romanian business associations that serve the tourism sector will meet to define a strategic plan to address issues effecting the sector.

In addition to the representatives of business associations, Secretary of State Alin Burcea will attend as will other officials from the Tourism Ministry. In addition, representatives of the European Union, the IRIS Project, and the Romanian American Enterprise Fund will participate.

For more information, please contact Cristina Greco at 231-4567.

TALKING POINTS
FOR CONSIDERATION BY
THE SECRETARY OF STATE

We hope the Secretary of State will comment on the strategy and priorities of the Ministry of Tourism, as these will be significant points of discussion at the forum. In addition, the following talking points may be included at the Secretary of State's discretion:

- Under a three year contract with the United States Agency for International Development, the Center for Private Enterprise (CIPE) will focus on the development of capacity within Romanian business associations within three economic sectors; tourism, information technology and manufacturing.
- CIPE will work with business associations in the tourism sector in the development and implementation of advocacy campaigns to address issues affecting the sector.
- CIPE will work to build relationships between the Ministry of Tourism and the business associations within the sector in an effort to promote collaboration.
- CIPE will work with business associations and Ministry of Tourism officials to design and implement a strategy for tourism promotion and enhancement.
- Business associations within the tourism sector play an important role in providing service to their members, and as a conduit for information and support.
- Business associations in the tourism sector boast a combined membership of over 1,500 tourist companies. Thus, they can play a significant role in the development of the sector.

Also included are discussion papers on four topics identified at CIPE's January 24 advocacy forum. These issues were identified by representatives of the tourism sector as important, and the options are for discussion purposes.

Magda R. Tepoi

Iasi Chamber of Commerce and Industries, General Division, Director

Magda Tepoi is the Head of the General Division in the County Iasi Chamber of Commerce and Industries. She is also the CEO of the Romanian Business School that functions as part of the County Iasi Chamber of Commerce and Industries, as well as tutor at the Chemistry Department of the "Gheorghe Asachi" Technical University and at the Economy and Business Administration Department of the "Alexandru Ioan Cuza" University.

As part of her work with the County Iasi Chamber of Commerce and Industries Magda Tepoi was involved in the development of alternative services that are particularly important for the business environment: international relations and financial consulting. She organized economic missions all over the world, from Moscow to Vienna and from Stockholm to Dubai. She was also involved in the implementation of a number of projects financed by the Romanian Government, USAID, CDC, CESO.

All the while, she improved her professional skills in domains related to the Chamber of Commerce activity, at the Eurochambres Academy in Spain and at the Madrid Chamber of Commerce and Industries. At present she is preparing for her Doctor's Degree with a paper on "The Role of Chambers of Commerce in the Development of International Commerce."

The County Iasi Chamber of Commerce and Industries was set up through a High Royal Decree in 1864 and operated as such until 1949. The year 1990 saw the resumption of its activities after 40 years of silence. In continuous development, the Chamber increased its range of services with new Departments and Services and at present covers almost every need of its members: carrying through all the necessary formalities for the incorporation of a company and listing it in the Trade Registry, organizing managerial training and improvement programs, organizing domestic and international economic missions, organizing promotion events, education programs, business consulting programs and putting together financing projects.

In view of the region's importance as a growing market (the Iasi area allows businessmen access to a daily market of about 200 million consumers in a radius of about 1000 kilometers) it became necessary for the County Iasi Chamber of Commerce and Industries to get involved in a series of very encompassing projects: building the first Technology Park in Moldavia, creating a Regional Resource Center for the development of tourism in the region, starting a Regional Advocacy Center, supporting a series of projects related to environment protection.

PROMOTING TOURISM AT A REGIONAL LEVEL

Magda Tepoi, Iasi Chamber of Commerce and Industries

Through the Eastern region of Romania, Moldavia, there is a great number of tourist sites, and we include here the Bukovina Valley, the monasteries in Northern Moldavia, the Suceava Citadel, the Neamt Citadel, not to speak of the other tourist sites in County Iasi. Under these circumstances the contribution of tourism activities to the region's development in 1998 amounted to 56% of its 1989 level.

County Iasi – a factor in reassessing regional tourism resources

- 18 companies mainly geared towards tourism, 9 of which registered a profit last year
- 35 companies with registered branches dealing in tourism activities
- 15 NGOs with tourism as their main concern
- Local authorities involved in wide-scale operations with an impact on local tourism, like the PILGRIMAGE 2000 event.

Success Stories – about tourism, with love

The profit-making tourism companies listed among the best County Iasi Chamber of Commerce members have registered profits ranging between 2,226 and 28 million Romanian Lei (ROL). Attractive hotels, confirming Moldavian hospitality: Traian, Unirea, Moldova.

The Totem Agency – the classic and the modern

- County best agency for two years in a row, 1998 and 1999, in the tourism agencies standings; their business return exceeded one million USD.
- Obtained the IATA accreditation in the year 2000, by depositing a 40,000 USD collateral, which means it can issue flight tickets directly (in Moldavia there are only three tourism agencies licensed to do that)
- Bought a latest-model Ford Transit van with luxury fittings
- Has a modern reservations system in place for hotel rooms and car rentals
- Has its own satellite dish to facilitate reservations and communication with partners
- Has created a web site that allows online reservations in all Romanian hotels.

Info-tourism, alternative approaches

- **Creating a “Tourism Observatory”** in the north-east of Romania, which would cover counties Iasi, Suceava, Botosani, Vaslui, Bacau, Neamt and which would come to life through the implementation of the project titled “Network for the monitoring and promotion of tourism in the North-East of Romania,” financed through PHARE Programme RO 9807.01 – Regional and Cohesion Policies.
- **Setting out the specific North-East Romanian cuisine** and creating a brand, through the project “Moldavian Cuisine – a trump card in developing regional tourism,” financed through PHARE programme RO 9807.01 – Regional Policies and Cohesion.
- **Organizing a conference on “Tourism and Regional Development,”** in cooperation with ADR-NE Piatra Neamt. The conference presentations were delivered by French specialists and were intended to set out the strengths of tourism with a view to benefiting regional development.
- **Initiating, starting 1999, a series of papers on local and regional tourism under the heading “Development Basics for Local Tourism.”**

Tourism and more...

- 9 economic missions for Iasi businessmen to various destinations, from Kishinev to the USA, Cuba or Korea.
- around 15 representatives from various countries, ambassadors and economic advisors who have come to know Iasi and its business environment through the Chamber of Commerce and Industries.
- establishing the TRAINFORTRADE Regional Center for training businessmen in foreign trade issues; organizing business foreign languages courses as well as training programs designed by the County Iasi Chamber of Commerce and Industries to enhance relations between Romanian and foreign businessmen.

Integration – in other words, tourism from a different angle

- Starting from the needs for development in the area, there are two main future-oriented projects of the county Iasi Chamber of Commerce and Industries in the field of business tourism:
- Assistance to non-governmental organizations, employers’ associations and tour operators in carrying out complex tourist activities meant to increase standards in the region and turn tourism into a genuine source of development.
- Carrying out its own projects integrated with other projects that the Chamber of Commerce is a partner in, as for example the TEHNOPOLIS Technology Park project.

Why the Chamber of Commerce and not a travel agency?

Merchants have always existed. Along the centuries, they have always been the engine of human development... As a community, our conscience and memory should make us pay due respect to this century-old merchants' tradition.... At a certain point in time, those people felt the need to organize themselves so as to be able to further their commercial activities and lives. Consequently, the Chambers of Commerce were first mentioned in documents as early as 1864..."

Alexandru Paleologu

Foreword to "Merchants Along Centuries,
A History of the Iasi Chamber of Commerce and Industries 1864-2000"

Engines, ideas and projects

- MULTIMEDIA –Modern training and expertise development techniques in the field of regional tourism training – TOURISMEDIA, a project proposed by Info Tourism as part of the Leonardo da Vinci 2001 project which aims at arousing the entrepreneurial spirit for regional tourist products;
- "European project for training and developing skills in young graduates hired by regional travel agencies and businesses", a project proposed by Info Tourism for the Leonardo da Vinci Project. The project is designed for the young employees of regional tourism firms who will be trained in countries with a long experience in the field (France and Great Britain).
- The complex "Business Travel" program, designed by County Iasi Chamber of Commerce and Industries, includes:

Education and information

- Participation in the creation of a Regional Training Center for Local Development. This project also includes a Trainers' Training program meant to identify local tourist attractions and to develop rural tourism and agro-tourism in disadvantaged areas. Its purpose is to foster local development;
- Carrying out training programs for tourist services in the Entrepreneurs' Training Center which will be established within the TEHNOPOLIS Technology Park. Public relations activities will also be included as a requirement for good business tourism.

- Carrying out training programs for businessmen in the tourism industry. These programs will provide for alternative services (theme trips, rediscovering the cultural heritage, hunting parties);
- Creating databases which should provide information on the existing facilities in Moldova and on the facilities required by foreign customers - based on the permanent communication with the tourist service providers from Moldova. This database will operate within the libraries and data bases of the Entrepreneurs' Training Center and will be used to inform tourist operators on the areas of interest as well as on the comments made by tourists.

Integration as a solution

Business tourism will also include:

- Protocol and public relations activities;
- "Visitor-service" activities which mean regular tourist services for businessmen (booking hotel rooms, helping businessmen with renting a car or booking airplane tickets), providing them with escort translators during their stay in Iasi, organizing trips to various tourist attractions in the county (e.g. the Cotnari vineyards), as well as entertainment activities, etc.
- organizing economic missions and other industry-related activities

The world of businessmen – a different world?

"God has given authority to businessmen in order to punish them for their disdain for authorities"

Mihail M. Vlasov

President of the County Iasi Chamber of Commerce and Industries

Projections for the future

- Complex tourism, providing high-standard services, that will include specific destinations, some of them already part of the international heritage.
- Carrying out complex programs meant to offer equal chances to other regions in Moldavia than the ones that are already known, as for instance the monasteries in northern Moldavia, the Suceava Citadel or the Bistrita Valley.

Instead of a conclusion

The best option for business associations is to regard tourism as a complex enterprise, instead of regarding it as a mere service-providing activity. Tourism can in fact support regional development and the advancement of the other industries it interacts with.

Financing opportunities
International Finance Corporation
in Romania

WBG Institutional Roles

- ◆ IBRD lends to governments of middle-income developing countries.
- ◆ IDA provides concessional loans to governments of the poorest developing countries.
- ◆ MIGA provides guarantees to foreign investors against noncommercial risk.

IFC Mandate

Promote Private Sector Development

- ◆ Provide loans and equity for viable projects.
- ◆ Mobilize capital from other sources.
- ◆ Provide advisory services.

Unique Characteristics

- ◆ Participates only in private sector ventures.
- ◆ Shares same risks as other investors.
- ◆ Invests in equity.
- ◆ Has market pricing policies.
- ◆ Does not accept government guarantees.
- ◆ Is profit oriented.

Beneficial Role

- ◆ IFC presence reassures
 - Foreign investors
 - Local partners
 - Governments.
- ◆ Honest broker/neutral partner.
- ◆ Measure of political risk cover.
- ◆ Catalyst for other investors and lenders.

Services Offered

- ◆ *Financial products*: loans, equity, quasi-equity, and risk management facilities.
- ◆ *Resource mobilization*: loan participations and securities offerings.
- ◆ *Advisory services*: country, industry, financial, and technical.

IFC Project Cycle

- ◆ Business plan.
- ◆ Concept review.
- ◆ Project evaluation.
- ◆ Public review.
- ◆ Board review and approval.
- ◆ Mobilization of other funding.
- ◆ Deal signing (IFC commitment).
- ◆ Funding disbursed.
- ◆ Project monitored.
- ◆ Exit.

Investment Guidelines

- ◆ Private sector.
- ◆ Financially, economically, and environmentally sound.
- ◆ 25 percent maximum IFC share of project cost.
- ◆ Investment size
 - \$1 million to \$100 million in standard projects
 - \$100,000 to \$1 million in small and medium projects.

IFC Financial Products

Loans

- ◆ Currency of choice.
- ◆ Fixed or floating market-rate pricing.
- ◆ Features
 - Tailored to cash flow
 - Long maturities of 8 to 12 years
 - Appropriate grace periods.

Equity Investments

- ◆ Equity investments based on anticipated return.

- ◆ Never the largest shareholder.
- ◆ Passive investor.
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Quasi-Equity Financing

- ◆ Convertible debentures.
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- ◆ Income warrants.
- ◆ Other hybrid instruments.
- ◆ Appropriately priced.

Risk Management

- ◆ *Products*: swaps, options, forward contracts.
- ◆ *Purpose*: interest rate risk hedging, currency risk hedging, and commodity price risk hedging.

Indirect Financing

- ◆ Credit and equity lines.
- ◆ Venture capital.
- ◆ Leasing.

Resource Mobilization

Loan Participations

- ◆ Agreement with borrower: loan funded by IFC and participant banks.
- ◆ Benefits for participant banks:
 - Reduced risk
 - Exemption from country-risk provisioning
 - Immunity from taxation
 - Extensive emerging-market experience
 - Detailed preinvestment appraisal
 - Sound due diligence and ongoing supervision.

Global Product Groups

IFC-World Bank jointly managed departments:

- ◆ Information and Communication Technologies
- ◆ Mining
- ◆ Oil, Gas, and Chemicals
- ◆ Private Sector Advisory Services
- ◆ Small and Medium Enterprise

Advisory Services

- ◆ Project assistance.
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Worldwide Representation

Southern Europe and Central Asia Department (SECA)

- ◆ Offices or Missions in: Albania, Bosnia and Herzegovina, FYR Macedonia, Croatia, Moldova, Bulgaria, Romania, Azerbaijan, Turkey, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, Uzbekistan

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- ◆ Romania joint IFC in 1991
- ◆ IFC is establishing it's first office in Romania in 1997
- ◆ In 1998 IFC's office was graduated to IFC's Mission in Romania

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Tel: +401 2112866

Fax: +401 2113141

E-mail: cnacu@ifc.org

www.ifc.org

IFC's main investments in Romania

- ◆ First on shore leasing Company in Romania - Romlease
- ◆ Participation in venture capital funds and equity funds such as:
Foreign & Colonial Fund, Danube Fund, Romania & Moldova
Direct Fund
- ◆ A lending program for SME's in cooperation with Banca
Romaneasca
- ◆ Involvement in two banks: Demir Bank and Bank Post
- ◆ Investment in a insurance company: Garanta
- ◆ Participation in a regional medical project: Medicover
- ◆ Investments in manufacturing: Ambro, Bilstein, Krupp Compa
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- ◆ IFC has been the adviser for the Bucharest Local Municipality in
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Annex B'

Regional Infrastructure Projects

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
North-Eastern Development Region			
1.Connection between Vaslui city and area and North South Pan-European Networks -Consolidation of the road -Construct platform -Bridge rehabilitation and strengthening -road signalisation - Falcu - Cantemir (Moldova) electric transmission line (cross border co-operation project)	Local authority Ministry of transport	9	3
2.The University Innovation Center and Business Infrastructure Development Park for SMEs and Private Investor- Iasi (5ha). -building or modernisation of existing production halls, industrial buildings, RD labs -production facilities : public infrastructure related to the industrial park :water supply, energy, access roads	Local authority University of Iasi	6	3.5
3.The Business Infrastructure Development Park for SMEs and Private Investors in Bacau 6ha -building of production halls -production facilities (water supply, energy, access roads) -offices for technical, economical, juridical management	Local authority	8	4.5
4. Rehabilitation of industrial area SIRET (Suceava County) -Modernisation of the public facilities related to the industrial area (water, energy, gas and heating network) - modernisation and extension of the roads; - improvement of the quality of water; - modernisation of the road network and improvement of traffic on European road E85, in order to permit better communication between Ukraine and the south of Europe ; Feasibility studies and market studies are already realised.	Local authority	6.5	3
5. Rehabilitation of industrial area Burdujeni from SUCEAVA (Suceava County) -Modernisation of the public facilities related to the industrial area (water, energy, gas and heating network) - rehabilitation of the access road to the industrial area; - modernisation of the public services and utilities; - modernisation of the road network and improvement of traffic on European road E85, in order to permit better communication between Ukraine and the south of Europe ; Feasibility studies and market studies are already realised.	Local authority	6	3.5
6.Rehabilitation of industrial area RADAUTI (Suceava County) -Modernisation of the public facilities related to the industrial area (water, energy, gas and heating network) - rehabilitation of the infrastructure of the County Radauti; - decrease of the production costs, transport, access at new services and new markets in order to permit development of the	Local Authority	5.5	2.5

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
competitiveness of the enterprises by the development of the Radauti county partnerships within Euro-region „Prutul de sus” including the reconstruction of the Radauti-Lipcani bridge (cross border co-operation project) - modernisation and extension of the road network, in order to permit the access to the commercial and public enterprises Feasibility studies and market studies are already realised; the field is own by the local council of Radauti			
7. Modernisation and development of tourism infrastructure in Piatra-Neamt county - improvement of the tourist potential of Piatra Neamt county - improvement of leisure infrastructure in order to respond to the quality required standards; - development of communication networks, and tourist circuits; - development of a environmental survey system; Feasibility studies are in preparation	Local Authority	8	4
8. Modernisation of DJ 291 C Km. 6+200+11+200 Dorohoi-Pomarla Road and Km 11+200+22+100 Dorohoi-Fundu Hertii Road -Modernisation of the road -Consolidation of acostaments -Execution of a drain for the source capture -Reparation of foot bridges and new foot bridges -Access to Racovat custom house-check point cross border with Ukraine : positive impact on import-export activities (approved feasibility study, technical projects and execution details)	Local authority (Botosani county council)	3.4	2.1
9. Environmental rehabilitation of Durau – Izvorul Muntelui area and sides from DJ 155 F road protection area -rehabilitation of the affected portions of the road closed for public circulation since 1997 -environmental rehabilitation of the touristic area -ecological stabilisation of the sides in Ceablan Mountain (geo-technical studies and technical survey for all the 37 damaged zones) (feasibility studies for 4 of the most affected and strategically important zones from those identified for rehabilitation)	Local authority (Neamt County Council)	10	5
10. Modernisation od DJ 208C km 2+000-10+00 (intersection DN 28B and Suceava county) touristic road to Vorona and Oneaga hermitages) -sector revisin -infrastructure, superstructure -footbridges (approved feasibility study and technical project)	Local authority (Botosani county council)	1.6	0.9
10 projects	TOTAL per region	64	32

South-Eastern Development Region

1. Rehabilitation of the National Road DN2B (E87) Galati – Giurgiuilesti, length 12 km (linkage between South-East Region and European road transportation corridor IX and IV) -upgrading of the roads to EU standards	Local authority Ministry of Transport	4.5	4
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Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
2. Improvement of the Traffic on the Route DN 24 (E581) Section km 17+400 – 23+400-Tecuci City -road platform (carriage way, shoulder)	Local authority Ministry of Transport	4.9	3
3. Industrial Park-Braila 6ha -buildings (logistic centre, RD workshops, production incubators and storage facilities) -access roads -green area -promotion The management of the park will be subject to a call for proposal organised by the Braila free zone The management will be ensured by non profit organisation in partnership with the Braila free zone. The whole activity of the Park will be commit under the privilege of the free zone region in compliance with the legislation in force.	Braila Free zone	10.65	5
4. Ecological restoration in the Danube Delta (Rosu-Puiu-Caraorman complex) - to restore the fishery potential; - to improve the water quality and hydrology - to increase the tourist value and the economic situation	Danube Delta Biosphere Reserve Authority Ministry of Environment Local Authority	3.2	2.5
5. Constanta International Fair -Fair infrastructure: exhibitions rooms, access way -Technological facilities, communication and seminars rooms, storage facilities, parkings -promotion of the international fair 0.6 ha (land under administration of Constanta county, Project approved in the Urbanisti Development Plan of the City)	Local authority (Constanta county council + Chamber of Commerce, Port administration, South free zone)	5	3.8
5 projects	TOTAL per region	28.25	18.3

South-Muntenia Development Region			
Stimulation of economic activity of Calarasi city through 1. environment rehabilitation of industrial area -industrial area: modernisation /rehabilitation of buildings and production areas -public facilities related to the industrial area (water, energy, heating) -access roads	Local authority	3.8	3
2. improvement the access to the IV Pan-European Corridor (Calarasi – Slobozia DN21 road). -rehabilitation of the road	Ministry of Transport		
3.The Infrastructure Modernization aimed to value and maintain the Amara Lake's Therapeutic Qualities with Environmental Rehabilitation Rehabilitation /modernisation of public infrastructure and public facilities	Local authority	3.8	3

4/4

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Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
<ul style="list-style-type: none"> -water sewage, natural gas, thermal central system -lake protection (rain channel network) -access roads -park rehabilitation 			
<p>4.Environmental Rehabilitation and Establishment of Tandarei Industrial Park Infrastructure</p> <ul style="list-style-type: none"> -rehabilitation of access road -public facilities related to the industrial Park (gas, water, electricity) 	Local authority	3.3	2.5
<p>5.Complex tourist arrangements on the route Valea Cerbului- Bucegi Mountains and rehabilitation of the tourism area</p> <p>Rehabilitation of public infrastructure and facilities</p> <ul style="list-style-type: none"> -cable transport -access roads -protecting walls -ski facilities and ski slope <p>(ski facilities and ski slopes will remain the ownership of the public authority 5 years at least after the date of public If privatisation occurs before 5 years, formal agreement on the privatisation conditions will be given by the Commission (Delegation)</p>	Local authority	11.1	5
<p>6.Modernisation of Bucegi mountain roads</p> <ul style="list-style-type: none"> -rehabilitation of 23 kms of existing roads -construction of 14 kms of new roads 	Ministry of Transport	5.5	4.5
<p>7. Ecological and economical rehabilitation of the Telejean River Basin</p> <p>The project will elaborate a River Basin Integrated Management system, to be used as blueprint for similar initiatives. In addition, small scale wastewater treatment plants will be placed , using whenever possible, compact and innovative solutions.</p> <ul style="list-style-type: none"> - to improve the environment status and support the sustainable development; - develop procedures for bio-monitoring self monitoring and independent monitoring of the river water - make operational a system to manage the information in an integrated manner, interweaving environmental data with economic data - elaborate a Master Plan to further serve as support tool for both local and ISPA granted investment projects; the Master plan will also include plans for small industrial park along the basin as well as opportunities for agri-business and eco-business (in the spirit of SAPARD) - identify ways and places to improve the environmental facilities (wastewater treatment plant, drinking water plant) - build and make operational 10 small wastewater treatment plants along with their sewage systems. 	Local Authority	4.6	3
<p>8. Techniques and methods of pollution monitoring and management of environment protection (Ploiesti city and industrial zones from Prahova county)</p> <ul style="list-style-type: none"> -Acquisition of two mobile laboratories and fixed system to monitor data and testing process -training modules 	Local authority (Ploiesti county council)	1	0.8
<p>8 projects</p>	TOTAL per region	33.1	21.8

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phase Contribution (MEuro)
North-Western Development Region			
1.Southern Industrial Parc- Satu Mare 58.5 ha industrial park (18.5ha); building, institutional and administrative centre -access roads public facilities (water, gas, transformer station) -The management of the park will be subject to a call for proposal organised by the local authority The management will be ensured by non profit organisation in partnership with the Local authority	Local authority	3.09	2
2.Development of the Western Cluj Economic Area through an appropriate business infrastructure network -access road public facilities related to the industrial zone(natural gas, water supply)	Local authority	8.5	5
3.Environment rehabilitation and development of Jibou Industrial Parc and business infrastructure– Salaj County - field preparation and building - access roads - development of the facilities related to the Industrial park (natural gas, thermal and water network, cleaning stations) The management of the park will be subject to a call for proposal organised by the local authority. The management will be ensured by non profit organisation in partnership with local authority	Local authority	8.5	5
4. Stimulation of the economic development in North-West Region and co-operation with Hungary and Ukraine by transport infrastructure support Construction of a ferro-concrete bridge over the Tisa river and contact road Romania –Ukrein (Sighetu-Marmatiei, Maramureş county) - rehabilitation and development of physic infrastructure; - improvement the support for unpolluted and high technology ; - development of communication and services networks. Feasibility study is under preparation	Local Authority	14.5	5
5. Business center "Milenium III", Baia Mare, Maramures county - creation the business environment for stimulate the economic development; - develop partnership and economic collaboration between Romania – Ukraine – Hungry; - establishment of new joint firms especially in less-favored areas; The feasibility study is under preparation	Local Authority	13.5	5
5 projects	TOTAL per region	48.09	22

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
South-West – Oltenia Development Region			
1. Industrial park Oltenia -Rehabilitation of existing building and utilities -Equipment and promotion of the Park Documentation under preparation	Local authorities	10	5
2. Consolidation of mountain sides in Olanesti Spasoda springs zone -Maintain of soda spring resources of spa	Local authority (Valcea county Olanesti)	4.5	3.4
3. Râmnicu-Valcea Business center -Creation of a regional business center for start-up companies Rehabilitation of existing building and utilities -Equipment and promotion of the Park -Existing feasibility study. -Partnership with Chamber of Commerce	Local authority (Valcea county council + Chamber of commerce)	1.5	
4. Consolidation of left bank of Danube river-Corabia port -Rehabilitation of the protection of the left bank of Danube river (rehabilitation of harbour infrastructure and creating facilities for establishing a cross border in Corabia)	Local authority (Olt county council)	0.5	0.4
5. Oltenia below the mountain -Rehabilitation of road (13.5 kms) to Frasinet Monastery (improvement of business area and cultural tourism)	Local authority (Valcea county)	1.8	1.4
5 projects	TOTAL per region	18.3	11.3

Centrum region			
1. Modernisation of free economic zone – Tirgu Mures -achievement of infrastructure frame -achievement of public utilities -modernisation of access roads, buildings -modernisation of 41 ha for business opportunities (Approved feasibility study and technical project)	Free economic zone Targu Mures	10	6
2. Consolidation of road system DJ 103 A Zizin-Vama Buzaului -Embankments -Consolidation works and art works (Access road to touristic area, Feasibility study)	Local authorities (Brasov county council)	7.7	5
3. Modernisation of road DC 81 Victoria Vistisoara Sambata (9.9 km) (Access road to touristic area, Sambata monasteries)	Local authority (Vistea county council)	1.2	0.9
4. Modernisation DJ 730 Sirne/Arges county (5.4 km) (Access to economic and touristic area : Vinata-Rucar zone)	Local authority (Brasov county council)	0.8	0.6

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Share Contribution (MEuro)
5. Modernisation of DJ 112 G Moccu de Jos-Pestera-Zarbesti (Access to economic and touristic areas)	Local authorities (Brasov county council, Moccu)	1.8	1.4
5 projects	TOTAL per region	21.5	13.9

West Region

1. Arad industrial park zone - Achievement of infrastructure frame - Achievement of public utilities	Local authority (Arad county council)	2.7	1.5
2. Technological park and industrial park in Timisoara - Rehabilitation of existing building and utilities - Equipment and promotion of the Park Documentation under preparation	Local authority	5.8	4.4
3. Regional conference center (Timisoara) - Rehabilitation of existing building and utilities - Equipment and promotion of the Center Documentation under preparation	Local authority	1.8	1.4
3 projects	TOTAL per region	10.3	7.3

Bucuresti Ilfov Region

1. Terminal Market Hall (urban food products market) deviation and set up of the water-sewer, electric and telecommunication network Market hall infrastructure interior endowments access ways, pavements, parking environmental landscaping and verdure spots	Local authority (Bucharest city council/ RDA)	1.7	1.3
2. Technological park (electronics, energetic, electrotechniques) creation of information system for researchers and enterprises establishment of a technological transfer office establishment of a monitoring system of regional energetic resources	Local authority Bucharest city hall/ RDA	1	0.8
2 projects	TOTAL per region	2.7	2.1
43 projects	TOTAL per country	226.24	128.7

List of projects financed under the Regional Development and Cohesion Programme RO 9807.01

TOURISM

#	Applicant	Project Title	Region	Judet	Town	Buget approved (EURO)	Local contribution (EURO)	Total Buget (EURO)	New Jobs
RDA 1 – NORTH-EAST									
1	SC Matinal Prodcom SRL	Building up a modern a touristic complex	North-East	Neamt	Tupilati	52,500	247,500	300,000	30
2	Consiliul Judetean Botosani - Directia Drumuri si Poduri	Rehabilitation of stone bridge historical monument built XVIII century on Miletin river, on the county road no. 208, at KM35+850, cosula village Copalau commune	North-East	Botosani	Botosani	45,971	14,849	60,820	9
3	SC Serviam Com SRL	"KM 17 CAIUTI" MOTEL	North-East	Bacau	Caiuti	43,830	95,941	139,771	20
4	SC Rosid Prod SRL	"Montana" Pension - Slanic Moldova	North-East	Bacau	Slanic Moldova	52,500	48,744	101,244	10
5	SC Iristar SRL	Re-arranging existent buildings	North-East	Suceava	Falliceni	40,000	604,250	644,250	15
6	SC Nadianca SRL	Re-arranging Touristic Pension "Nadianca"	North-East	Suceava	Gura Humorului	20,000	76,144	96,144	12
7	Consiliul Judetean Suceava	Bucovina 2000	North-East	Suceava	Suceava	62,500	41,700	104,200	2
8	Asociatia Partener Grupul de Initiativa pentru Dezvoltarea Locala	Moldavian kitchen, trump in development of regional tourism	North-East	Iasi	Iasi	44,850	42,950	87,800	7
TOTAL RDA 1 – 8 projects						362,151	1,172,078	1,534,229	105
RDA 2 – SOUTH-EAST									
9	SC Pietroasa SA	Development of touristic leisure and entertainment site	South-East	Buzau	Tisau	54,300	238,253	292,553	20
10	SC Green Tour SRL	Investment in "Stefania touristic ensemble"	South-East	Constanta	Costinesti	55,000	100,362	155,362	48
11	SC Danira Solar Impex SRL	2 Stars Hotel	South-East	Vrancea	Focsani	62,500	237,500	300,000	30
12	SC Europolis SA	Building of a floating minihotel (4 stars) with ecological boat for passangers transport in Danube Delta	South-East	Tulcea	Tulcea	50,150	63,685	113,835	18
13	SC Pronet Trading SRL	Development of pleasure tourism on Danube	South-East	Braila, Constanta, Tulcea, Galati	Braila, Constanta, Tulcea, Galati	40,000	76,314	116,314	16
14	Consiliul Judetean Galati	Tourism and entertainment base of "Zatun"	South-East	Galati	Galati	62,498	4,046	66,544	10
15	Consiliul Judetean Constanta	Supporting cultural tourism by rehabilitation of histrya archeological complex	South-East	Constanta	Istria	62,500	119,258	181,758	0
16	SC Donaris SRL	Reconstruction and modernization of building for restaurant	South-East	Braila	Varsatura	46,890	51,996	98,886	15
17	SC Sammarina SRL	Extension of touristic ensemble neptun	South-East	Constanta	Mamaia	50,000	359,060	409,060	38
18	SC Europolis SA	Reahabilitation of ecological touristic ensemble near tulcea town with acceses in isaccea lakes	South-East	Tulcea	Tulcea	44,850	91,168	136,018	11
19	SC Musceleanu Mc Bucegi Buzau	Motel restaurant E85	South-East	Buzau	Maracineni	40,000	145,314	185,314	50
TOTAL RDA 2 – 11 projects						568,688	1,486,956	2,055,644	256

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#	Applicant	Project Title	Region	Judet	Town	Buget approved (EURO)	Local contribution (EURO)	Total Buget (EURO)	New Jobs
39	ANTREC	Valorification of the rural touristic objectives in Mehedinti county	South-West	Mehedinti	Podeni, Ciresu, Isverna, Ponoarele, Baia de Arama, Balta, Obarsia Closani, Dr. Tr. Severin, Eselnita, Dubova	14,000	6,080	20,080	60
40	SC Prospect SRL	Protection and rehabilitation of the historical and architectural monuments in Craiova	South-West	Dolj	Craiova	10,000	10,000	20,000	15
41	Consiliul Judetean Mehedinti	Setting up of the institutional frame for a sustainable development of the touristic area Portile de Fier	South-West	Mehedinti	Portile de Fier	14,850	5,978	20,828	6
42	SC Compania Hoteliera Gorj SRL	Enlargement of the accomodation capacity – Lainici chalet	South-West	Gorj	Lainici, Bumbesti Jiu	61,356	49,689	111,046	12
43	Muzeul Judetean de Etnografie Olt	Oltenia traditional weaving mill	South-West	Olt	Slatina	25,795	18,030	43,825	5
TOTAL RDA 4 – 11 projects						306,527	612,601	919,128	173
RDA 5 – WEST-ROMANIA									
44	SC Gui SRL	Hotel Gambrinus	West-Romania	Hunedoara	Aninoasa	62,196	287,250	349,446	47
45	Orizont Orastie	Touristic Services - Historical Complex	West-Romania	Hunedoara	Gradiste	49,270	54,510	103,780	20
46	SC SBC Lipova SA	Redivivus SBC	West-Romania	Arad	Lipova	62,000	277,769	339,769	28
47	SC Eurovenus SRL	Renovation, Modernisation Iliia Mansion	West-Romania	Hunedoara	Iliia	32,100	41,620	73,720	6
48	SC Karo Transtour SRL	Touristic Complex Karo Berzeasca	West-Romania	Caras Severin	Berzeasca	62,500	149,167	211,667	18
49	SC Berardilacti Com Prod SRL	Training and Tourism Promotion Services Center	West-Romania	Hunedoara	Orastioara de Sus	56,000	65,000	121,000	15
50	SC Edil Constructii SA	Balneary Tourism Revigoration Through Modernisation of Hotel Moneasa	West-Romania	Arad	Moneasa	62,500	223,215	285,715	19
51	SC Vacanta SRL	Vila Sanda Health Treatment Station	West-Romania	Hunedoara	Geoagiu-Bai	54,270	36,292	90,562	21
TOTAL RDA 5 – 8 projects						440,836	1,134,823	1,575,659	174

#	Applicant	Project Title	Region	Judet	Town	Buget approved (EURO)	Local contribution (EURO)	Total Buget (EURO)	New Jobs
74	SC Kasi Style SRL	The arrangement of an agro-touristic pension in commune Ilienii, Covasna county	Centre	Covasna	Ilienii	20,002	16,365	36,367	4
75	"Mileniul III " Ecological Association Brasov	Capitalization of touristic potential through promotion of ecological hunter of safari - images	Centre	Brasov	Brasov	34,347	24,843	59,190	23
76	SC Palace Dumbrava SA	Touristic development in the pleasure area 'Dumbrava Sibiului'	Centre	Sibiu	Dumbrava Sibiului forest	42,500	157,892	200,392	20
TOTAL RDA 7 - 15 projects						649,299	729,125	1,378,424	378
RDA 8 - BUCHAREST-ILFOV									
77	Aquaterra	Finishing for to be visited the educational - ecological complex Aquaterra	Bucharest-ilfov	București	București	27,600	46,160	73,760	10
78	Compania de turism Mara	Bucharest sightseeing daily tours	Bucharest-ilfov	București	București	62,500	114,900	177,400	58
79	V&L com. prod. Exim	Development of a local agro-touristic structure - Tâncăbești I Lake	Bucharest-ilfov	Ilfov	Balotești	62,500	43,500	106,000	14
80	Hotel Carpați Turism SA	Development and improving touristic services offered by Carpați Hotel	Bucharest-ilfov	București	București	22,740	18,810	41,550	9
81	Manastirea Tiganesti	Restoring the main Building, Museum, Cells Monastery, and Tiganesti Monastery Tower, for to be returned to the touristic circuit	Bucharest-ilfov	Ilfov	Tiganesti	62,500	58,700	121,200	40
TOTAL RDA 8 - 5 projects						237,840	282,070	519,910	131
TOTAL TOURISM PROJECTS - 81 projects						3,667,240	6,795,235	10,462,475	1,667

List of projects financed under the Regional Development and Cohesion Programme RO 9807.01

TOURISM

#	Applicant	Project Title	Region	Judet	Town	Budget approved (EURO)	Local contribution (EURO)	Total Budget (EURO)	New Jobs
RDA 1 – NORTH-EAST									
1	SC Matinal Procom SRL	Building up a modern a touristic complex	North-East	Neamt	Tupilati	52,500	247,500	300,000	30
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3	SC Serviam Com SRL	"KM 17 CAIUTI" MOTEL	North-East	Bacau	Caiuti	43,830	95,941	139,771	20
4	SC Rosid Prod SRL	"Montana" Pension - Slanic Moldova	North-East	Bacau	Slanic Moldova	52,500	48,744	101,244	10
5	SC Iristar SRL	Re-arranging existent buildings	North-East	Suceava	Falticeni	40,000	604,250	644,250	15
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7	Consiliul Judetean Suceava	Bucovina 2000	North-East	Suceava	Suceava	62,500	41,700	104,200	2
8	Asociatia Partener Grupul de Initiativa pentru Dezvoltarea Locala	Moldavian kitchen, trump in development of regional tourism	North-East	Iasi	Iasi	44,850	42,950	87,800	7
TOTAL RDA 1 – 8 projects						362,151	1,172,078	1,534,229	105
RDA 2 – SOUTH-EAST									
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TOTAL RDA 2 – 11 projects						568,688	1,486,956	2,055,644	256

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41	Consiliul Judetean Mehedinti	Setting up of the institutional frame for a sustainable development of the touristic area Portile de Fier	South-West	Mehedinti	Portile de Fier	14,850	5,978	20,828	6
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TOTAL RDA 4 – 11 projects						306,527	612,601	919,128	173
RDA 5 – WEST-ROMANIA									
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50	SC Edit Constructii SA	Balneary Tourism Revigoration Through Modernisation of Hotel Moneasa	West-Romania	Arad	Moneasa	62,500	223,215	285,715	19
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TOTAL RDA 7 - 15 projects						649,299	729,125	1,378,424	378
RDA 8 - BUCHAREST-ILFOV									
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78	Compania de turism Mara	Bucharest sightseeing daily tours	Bucharest-Ilfov	București	București	62,500	114,900	177,400	58
79	V&L com. prod. Exim	Development of a local agro-touristic structure - Tâncăbești I Lake	Bucharest-Ilfov	Ilfov	Balotești	62,500	43,500	106,000	14
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81	Manastirea Tiganesti	Restoring the main Building, Museum, Cells Monastery, and Tiganesti Monastery Tower, for to be returned to the touristic circuit	Bucharest-Ilfov	Ilfov	Tiganesti	62,500	58,700	121,200	40
TOTAL RDA 8 - 5 projects						237,840	282,070	519,910	131
TOTAL TOURISM PROJECTS - 81 projects						3,667,240	6,795,235	10,462,475	1,667

Annex B'

Regional Infrastructure Projects

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
North-Eastern Development Region			
1.Connection between Vaslui city and area and North South Pan-European Networks Consolidation of the road Construct platform -Bridge rehabilitation and strengthening -road signalisation - Falcu - Cantemir (Moldova) electric transmission line (cross border co-operation project)	Local authority Ministry of transport	9	3
2.The University Innovation Center and Business Infrastructure Development Park for SMEs and Private Investor- Iasi (5ha). -building or modernisation of existing production halls, industrial buildings, RD labs -production facilities : public infrastructure related to the industrial park :water supply, energy, access roads	Local authority University of Iasi	6	3.5
3.The Business Infrastructure Development Park for SMEs and Private Investors in Bacau 6ha -building of production halls -production facilities (water supply, energy, access roads) -offices for technical, economical, juridical management	Local authority	8	4.5
4. Rehabilitation of industrial area SIRET (Suceava County) -Modernisation of the public facilities related to the industrial area (water, energy, gas and heating network) - modernisation and extension of the roads; - improvement of the quality of water; - modernisation of the road network and improvement of traffic on European road E85, in order to permit better communication between Ukraine and the south of Europe ; Feasibility studies and market studies are already realised.	Local authority	6.5	3
5. Rehabilitation of industrial area Burdujeni from SUCEAVA (Suceava County) Modernisation of the public facilities related to the industrial area (water, energy, gas and heating network) - rehabilitation of the access road to the industrial area; - modernisation of the public services and utilities; - modernisation of the road network and improvement of traffic on European road E85, in order to permit better communication between Ukraine and the south of Europe ; Feasibility studies and market studies are already realised.	Local authority	6	3.5
6.Rehabilitation of industrial area RADAUTI (Suceava County) -Modernisation of the public facilities related to the industrial area (water, energy, gas and heating network) - rehabilitation of the infrastructure of the County Radauti; - decrease of the production costs, transport, access at new services and new markets in order to permit development of the	Local Authority	5.5	2.5

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phare Contribution (MEuro)
2. Improvement of the Traffic on the Route DN 24 (E581) Section km 17+400 – 23+400-Tecuci City -road platform (carriage way, shoulder)	Local authority Ministry of Transport	4.9	3
3. Industrial Park-Braila 6ha buildings (logistic centre, RD workshops, production incubators and storage facilities) access roads green area promotion The management of the park will be subject to a call for proposal organised by the Braila free zone The management will be ensured by non profit organisation in partnership with the Braila free zone. The whole activity of the Park will be commit under the privilege of the free zone region in compliance with the legislation in force.	Braila Free zone	10.65	5
4. Ecological restoration in the Danube Delta (Rosu-Puiu-Caraotman complex) to restore the fishery potential; to improve the water quality and hydrology - to increase the tourist value and the economic situation	Danube Delta Biosphere Reserve Authority Ministry of Environment Local Authority	3.2	2.5
5. Constanta International Fair -Fair infrastructure: exhibitions rooms, access way Technological facilities, communication and seminars rooms, storage facilities, parkings -promotion of the international fair 0.6 ha (land under administration of Constanta county, Project approved in the Urbanisti Development Plan of the City)	Local authority (Constanta county council + Chamber of Commerce, Port administration, South free zone)	5	3.8
5 projects	TOTAL per region	28.25	18.3

South-Muntenia Development Region			
Stimulation of economic activity of Calarasi city through	Local authority	3.8	3
1. environment rehabilitation of industrial area -industrial area: modernisation /rehabilitation of buildings and production areas public facilities related to the industrial area (water, energy, heating) access roads			
2. improvement the access to the IV Pan-European Corridor (Calarasi – Slobozia DN21 road). rehabilitation of the road	Ministry of Transport		
3.The Infrastructure Modernization aimed to value and maintain the Amara Lake's Therapeutic Qualities with Environmental Rehabilitation Rehabilitation /modernisation of public infrastructure and public facilities	Local authority	3.8	3

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phase Contribution (MEuro)
North-Western Development Region			
1.Southern Industrial Parc- Satu Mare 58.5 ha industrial park (18.5ha), building, institutional and administrative centre access roads public facilities (water, gas, transformer station) The management of the park will be subject to a call for proposal organised by the local authority The management will be ensured by non profit organisation in partnership with the Local authority	Local authority	3.09	2
2.Development of the Western Cluj Economic Area through an appropriate business infrastructure network access road public facilities related to the industrial zone(natural gas, water supply)	Local authority	8.5	5
3.Environment rehabilitation and development of Jibou Industrial Parc and business infrastructure- Salaj County field preparation and building access roads development of the facilities related to the Industrial park (natural gas, thermal and water network, cleaning stations) The management of the park will be subject to a call for proposal organised by the local authority. The management will be ensured by non profit organisation in partnership with local authority	Local authority	8.5	5
4. Stimulation of the economic development in North-West Region and co-operation with Hungary and Ukraine by transport infrastructure support Construction of a ferro-concrete bridge over the Tisa river and contact road Romania -Ukraine (Sighetu-Marmatiei, Maramures county) rehabilitation and development of physic infrastructure; improvement the support for unpolluted and high technology ; development of communication and services networks. Feasibility study is under preparation	Local Authority	14.5	5
5. Business center "Milenium III", Baia Mare, Maramures county creation the business environment for stimulate the economic development; develop partnership and economic collaboration between Romania - Ukraine - Hungary; establishment of new joint firms especially in less-favored areas; The feasibility study is under preparation	Local Authority	13.5	5
5 projects	TOTAL per region	48.09	22

Project Description Main Activities	Direct beneficiary	Total Cost	Expected Phase Contribution (MEuro)
5. Modernisation of DJ 112 G Moeciu de Jos-Pestera-Zarbesti (Access to economic and touristic areas)	Local authorities (Brasov county council, Moeciu)	1.8	1.4
5 projects	TOTAL per region	21.5	13.9

West Region

1. Arad industrial park zone - Achievement of infrastructure frame - Achievement of public utilities	Local authority (Arad county council)	2.7	1.5
2. Technological park and industrial park in Timisoara - Rehabilitation of existing building and utilities - Equipment and promotion of the Park - Documentation under preparation	Local authority	5.8	4.4
3. Regional conference center (Timisoara) - Rehabilitation of existing building and utilities - Equipment and promotion of the Center - Documentation under preparation	Local authority	1.8	1.4
3 projects	TOTAL per region	10.3	7.3

Bucuresti Ilfov Region

1. Terminal Market Hall (urban food products market) - Renovation and set up of the water-sewer, electric and telecommunication network - Market hall infrastructure - Interior enhancements - Access ways, pavements, parking - Environmental landscaping and verdure spots	Local authority (Bucharest city council/ RIDA)	1.7	1.3
2. Technological park (electronics, energetic, electrotechniques) - Creation of information system for researchers and enterprises - Establishment of a technological transfer office - Establishment of a monitoring system of regional energetic resources	Local authority Bucharest city hall/ RIDA	1	0.8
2 projects	TOTAL per region	2.7	2.1
13 projects	TOTAL per country	226.24	128.7