

DETERMINANTS OF INCREASING EU FUNDS ABSORPTION CAPACITY IN ROMANIA

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ABSTRACT: The study found that, during the early post-accession years, Romania failed to attract European funds, at least to the same extent to the national contribution at the community budget, registering a net expenditure as an EU member. The determinants of increasing EU funds absorption rate are related, among other, to the availability of internal resources for projects co-financing, adequate administrative capacity at central and local levels, appropriate inter-institutional coordination and public-private partnerships, high skills and motivation of human resources working in operational programs Management Authorities and intermediary bodies. Activating these determinants could be an opportunity for sustaining economic growth of Romania and recovering the development gap, which is supposed to alleviate also the adverse effects of international financial crisis on EU countries.

Keywords: economic development, EU integration, structural funds, determinants of absorption capacity, absorption rate, operational programs.

JEL Codes: F15, F36, F43, O19.