



Școala Națională de Studii Politice și Administrative

**National University of Political Studies and Public  
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## **PhD THESIS SUMMARY**

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**An Analysis of the Dynamics of Romania's Process of Accessing  
and Absorbing European Funds During the 2014–2020 Period and Its  
Dependence on the Typologies of Identified Irregularities and Frauds**

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## INTRODUCTION

The access and absorption of European funds represent a key pillar of Romania's socio-economic development, particularly in the context of EU integration and its status as a net beneficiary. The 2014–2020 programming period marked a phase of institutional maturation, with progress made in streamlining procedures and increasing absorption rates, yet also revealed persistent dysfunctions, including irregularities and fraud. These issues reflect systemic problems related to administrative capacity, organisational culture, and political influence.

This thesis analyses the complex interaction between administrative performance and the quality of governance, within the broader framework of pressure to meet absorption targets and the need to comply with European regulations. Fund absorption is examined both quantitatively and qualitatively, through an assessment of efficiency, sustainability, and legality in implementation. An integrative theoretical framework is employed, drawing on the concepts of multi-level governance, institutional integrity, and Europeanisation. A mixed-methods approach (quantitative and qualitative) is used, based on statistical data and official documents (OLAF, the Court of Auditors, the European Commission).

The novelty of the research lies in identifying the causal relationship between institutional vulnerabilities and absorption performance, offering a reconceptualisation of the notion of “administrative performance.” Typologies of irregularities and fraud are analysed not merely as isolated deviations, but as symptoms of systemic dysfunctions. In doing so, the thesis moves beyond descriptive approaches and proposes an explanatory model of the interdependence between governance quality and the concrete outcomes of European public policies.

The practical contribution is reflected in a set of public policy recommendations aimed at strengthening institutional capacity, professionalising public staff, simplifying procedures, and improving internal control mechanisms. The research also identifies relevant European good practices, useful for adapting governance models to Romania's national context. The thesis offers a replicable and applicable analytical framework, relevant to both academic inquiry and institutional

actors, thereby enhancing knowledge of the effective and ethical management of European funds in Romania.

## **Chapter 1. Fraud and irregularities in the management of european funds: between capacity deficit and institutional reform in member states**

Irregularities and fraud in the use of European funds deeply affect the quality of governance, institutional legitimacy, and the effectiveness of compliance policies. Defined as deviations from European Union norms, irregularities may be intentional or unintentional and often stem from a lack of administrative capacity or from misinterpretations of regulations (European Commission, 2021; Lapuente and Van de Walle, 2020). In contrast, fraud involves a clear intent to cause harm to the EU budget and is subject to criminal penalties and investigation by bodies such as OLAF and the EPPO (EU Directive 2017/1371; Batory, 2012). The distinction between irregularity and fraud has direct implications for the sanctioning regime and for citizens' perceptions of the integrity of European institutions (Mungiu-Pippidi and Dadašov, 2016).

The management of legal risks associated with European funds thus becomes a central element of the financial governance architecture. Legislative ambiguities, the lack of harmonisation between national and European regulations, and jurisdictional conflicts generate legal uncertainty and increase the vulnerability of projects (Bellacosa and De Bellis, 2023). These risks necessitate the adoption of firm preventive measures, based on ex-ante controls, rigorous audits, and continuous training for beneficiaries (OECD, 2020). Financial corrections and conflict of interest regulations are crucial instruments for protecting the EU budget. In Romania, their application is governed by a complex legislative framework, but uneven implementation limits the effectiveness of compliance mechanisms (Mungiu-Pippidi, 2023).

Similarly, the harmonisation of legal-administrative definitions of irregularities remains essential for the uniform application of European legislation.

The current regulatory framework aims for an objective understanding of irregularity, detached from intentionality, but procedural ambiguity enables the emergence of abuses in public procurement, particularly in the planning phase (Hooghe and Marks, 2001). In practice, unjustified contractual amendments, poor documentation, or the concentration of decision-making in a single official generate significant administrative vulnerabilities and attract severe financial corrections (Ministry of Investments and European Projects, 2021).

Administrative corruption emerges as a symptom of deficient governance, in which informal networks of influence distort decision-making processes, and civil servants become complicit in the fraudulent allocation of resources (Fazekas and Tóth, 2016). Frequent cases of favouritism in contract awards, simulated competition, and falsified documentation indicate a system where genuine oversight is replaced by complicity and institutional silence (National Anticorruption Directorate, 2019). These practices undermine both the effectiveness of implementation and the legitimacy of the entire process of absorbing European funds. Proposed solutions include the digitalisation of procedures, independent audits, firm sanctions, and the cultivation of an institutional culture based on integrity, transparency, and public accountability (OECD, 2023; Treisman, 2000). Thus, effective European governance in Romania requires not only formal regulation but also profound organisational transformation.

## **Chapter 2. The structure of the legislative system for the protection of the European Union's financial interests: a political-legal perspective**

The European Union functions as a unique political and legal entity, grounded in shared values, norms, and institutions integrated within a multilevel governance system. The protection of its financial interests is essential for the sustainability of the common budget and for institutional legitimacy. Article 325 of the TFEU obliges Member States to adopt measures equivalent to those applied to their own budgets for the prevention and combatting of fraud, in close cooperation with the European Commission. These provisions are reinforced by secondary

legislation, such as Regulations No. 883/2013, 2988/1995, and 2185/1996, which strengthen the operational framework of oversight and investigative institutions, particularly OLAF. Directive (EU) 2017/1371 harmonises the definitions of offences against the EU budget and allows for the application of a uniform sanctioning regime through the European Public Prosecutor's Office (EPPO).

OLAF conducts independent administrative investigations into fraud, corruption, and other irregularities affecting the EU budget, operating under Regulation No. 883/2013. It holds investigative powers within EU institutions and across Member States. The EPPO, established by Regulation 2017/1939, is the first supranational institution with direct criminal competences for protecting EU funds, having exclusive jurisdiction to investigate offences that harm the Union's financial interests. Cooperation between OLAF and the EPPO is based on complementarity, secure information exchange, and the avoidance of overlapping investigations, thereby ensuring effective collaboration in complex cases.

In Romania, the adoption of a national anti-fraud strategy and its reinforcement through the establishment of DLAF indicates a commitment to EU requirements regarding the protection of financial interests. The current strategy emphasises prevention, inter-institutional cooperation, and legislative alignment with EU initiatives. Law No. 6/2021 on the EPPO marks the integration of a European criminal mechanism into the national legal system. However, challenges remain, particularly at the administrative and institutional levels, where a lack of resources and fragmented competences limit overall effectiveness.

The politicisation of European funds represents a major obstacle to the application of the principle of functional subsidiarity and to efficient implementation. In certain cases, EU funds have been used as political bargaining tools, undermining the objectives of cohesion policy and contributing to the deepening of regional divides. This trend of transnational clientelism damages citizens' trust in EU institutions and may fuel Euroscepticism, especially when funds are perceived to be managed unfairly or corruptly.



### **Chapter 3. Governance and integrity in the management of european funds: regulatory frameworks and institutional vulnerabilities to fraud**

European funds function as a key instrument of governance and political influence, enabling the European Union to condition the allocation of resources on adherence to principles of transparency, integrity, and good governance (Mungiu-Pippidi, 2015; Bruszt and Vukov, 2017). In Romania, the effectiveness of these funds reflects the quality of governance and administrative capacity, which are negatively affected by corruption, instability, and institutional dysfunctions (Roman et al., 2023; Becker et al., 2017). Abusive practices in public procurement and a culture of bureaucratic compliance have diminished the transformative potential of EU funding (Fazekas and Tóth, 2016). The misuse of funds results not only in economic losses but also in a crisis of democratic legitimacy, amplifying Euroscepticism and fuelling clientelistic networks in poorly governed regions (Smith, 2020; Innes, 2014). Funds can become tools for consolidating illiberal regimes, particularly in Hungary and Poland, when used for political purposes (Batory, 2016). The lack of transparency and the absence of appropriate sanctions undermine public trust and civic participation (Mungiu-Pippidi, 2015; Levitsky and Way, 2010).

In this context, tackling abuse requires a coherent institutional and political approach, grounded in digitalisation, reform, and transnational cooperation (Verheijen, 2018; Fazekas and King, 2018). Administrative capacity plays a central role, and disparities in governance performance affect the effectiveness of anti-fraud measures (Roman et al., 2023). Fraud involving EU funds—documented through practices such as false reporting and manipulated procurement—erodes the legitimacy of the EU and calls for a coherent legislative framework based on transparency and effective sanctions (Ainsworth, 2006; Bostan and Pete, 2015; Bene and Bene, 2017). European institutions such as the EPPO and OLAF are essential to this effort, but their effectiveness depends on regulatory harmonisation and cooperation among Member States.

Ultimately, the impact of these funds is profoundly shaped by the quality of governance and administration, and for the European project to retain its legitimacy, it is crucial to promote democratic and effective governance.

#### **Chapter 4. Research methodology for the absorption process of european funds in Romania (2014–2020): a political science approach to governance and institutional capacity**

During the 2014–2020 period, European funds represented a crucial development resource for Romania, in a challenging domestic context marked by limited budgetary resources and an urgent need for institutional modernisation (Meyer and Janssen, 2018). However, the absorption of these funds was affected by a series of systemic problems, the most significant being weak administrative capacity and the frequent occurrence of irregularities or fraud in project implementation (Blanco-Alcántara et al., 2022). The initial phase of implementation was delayed by the lack of accreditation of managing authorities and the late launch of project calls. Although an acceleration was observed after 2017, the pace remained uneven across programmes (European Commission, 2021).

The main causes of these dysfunctions included excessive bureaucracy, legislative instability, and a shortage of qualified personnel. Beneficiaries faced unclear guidelines and complex procedural requirements (Pellegrina et al., 2021). At the same time, the poor quality of projects and unrealistic financial estimates led to rejections and implementation blockages (Mora and Bazo, 2020). Against this backdrop, both administrative irregularities and deliberate fraud emerged, ranging from procedural errors to the use of falsified documents, conflicts of interest, and inflated prices (Hagemann, 2019; Charron et al., 2019). These issues triggered sanctions from the European Commission, including financial corrections and the suspension of payments, negatively impacting both the budget and beneficiaries' trust.

Looking ahead, the professionalisation of public administration, the digitalisation of procedures, and effective cooperation with European oversight institutions are essential for the prevention and combatting of fraud.

The aim of this thesis is to identify the main factors influencing the dynamics of the process of accessing and absorbing European funds in Romania during the 2014–2020 period, by correlating these factors with the typologies of irregularities and fraud identified. It also seeks to construct a theoretical explanatory model of this phenomenon and to formulate public policy recommendations intended to enhance Romania's performance in utilising European funds under the current Multiannual Financial Framework.

To this end, the general objective is to analyse the dynamics of the process of accessing and absorbing European funds in the 2014–2020 period, with particular emphasis on the relationship between the identified types of irregularities and fraud and the performance in the use of these resources.

*Specific objectives:*

1. To analyse the relationship between the type of European funds and the frequency of reported cases of fraud and irregularities during the 2014–2020 period.
2. To investigate the differences in the incidence of irregularities between private beneficiaries and public entities within projects funded by European funds.
3. To determine significant differences in the value of identified financial damages across various types of funds, with a particular focus on the European Agricultural Guarantee Fund (EAGF).
4. To assess territorial variations in the incidence of fraud and irregularities, based on the county in which funded projects were implemented.
5. To compare the frequency of irregularities between projects initiated in the early part of the programming period (2014–2016) and those launched between 2017 and 2020.
6. To explore expert perceptions regarding the factors that foster the emergence of fraud and irregularities in the management of European funds, based on qualitative interviews.

*Research hypotheses:*

- H1. There is a significant association between the type of European fund accessed and the frequency of reported fraud cases.

H2. There is a significant relationship between the type of beneficiary and the number of irregularities, with private beneficiaries being involved in a higher number of irregularities than public entities.

H3. There is a significant positive correlation between funding through the European Agricultural Guarantee Fund (EAGF) and the higher value of damages caused by fraud.

H4. There is a significant relationship between the county and the incidence level of irregularities or frauds recorded by the authorities.

H5. There is a significant relationship between the implementation period and the frequency of irregularities, with projects from the 2014–2016 period showing a higher incidence.

The research employed a mixed-methods approach, combining quantitative analysis with qualitative exploration in order to understand the complexity of fraud and irregularities in the management of European funds in Romania between 2014 and 2020. The quantitative component enabled the identification of statistical trends regarding the frequency and distribution of irregularities based on the type of beneficiaries, the nature of the funds, and the value of financial damages, using relevant datasets provided by DLAF, MIPE, and AFIR. The analysis was conducted using descriptive and inferential techniques with IBM SPSS, highlighting correlations between key variables.

In parallel, semi-structured interviews with 40 experts provided a detailed perspective on perceptions regarding systemic risks and the effectiveness of control mechanisms. This qualitative approach complemented the numerical data with institutional and motivational nuances that are difficult to capture through statistical methods. The analysis was strengthened by the use of SURVIO software, ensuring rigorous coding of the responses.

The combined methodology offered a comprehensive understanding of dysfunctions within the EU funds management system and underpinned concrete proposals for strengthening administrative capacity and reducing vulnerability to fraud.

The sample group analysed in this research was structured according to the specific requirements of each component, respecting criteria of relevance and diversity of sources. For the quantitative analysis, the dataset included 170 DLAF

control reports, 462 cases from the Operational Programme Competitiveness (POC), 859 from the Operational Programme Human Capital (POCU), and 2,314 cases reported by AFIR, covering a variety of fund types and beneficiaries.

The qualitative component comprised 40 experts selected from the fields of European funding, public policy, and justice, whose perspectives complemented the analysis with essential institutional and motivational insights (Blanco-Alcántara et al., 2022).

The selection of subjects and data for this research was based on clear criteria of relevance and validity, with only those sources included that provided complete and useful information for the established objectives. In the quantitative analysis, only DLAF-issued control reports and cases from operational programmes containing details about the nature of the fraud, the fund affected, and the type of beneficiary were selected.

For the qualitative component, only specialists with direct experience in the management or auditing of European funds, and who were willing to voluntarily participate in interviews, were included. All incomplete or insufficiently documented cases were excluded, as well as individuals who did not meet the professional criteria or who declined participation.

This rigorous selection process enabled the formation of a representative and balanced sample, capable of offering a realistic and comprehensive perspective on the phenomenon of fraud and irregularities. The result is a scientifically grounded study that coherently combines both factual and perceptual dimensions (Blanco-Alcántara et al., 2022).

## **Chapter 5. Study I on the Statistical Assessment of Control Reports within the Anti-Fraud Department between 2014 and 2020**

This study rigorously analyses, through quantitative methods, the irregularities and fraud in the management of European funds in Romania between 2014 and 2020. Using IBM SPSS and a sample of 170 control reports provided by DLAF, it aims to identify trends, correlations, and relevant typologies of offences (Hagemann, 2019).

The results indicate that agricultural funds, particularly the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD), are the most vulnerable, accounting for 34.1% and 20% respectively of suspected fraud cases. This reflects monitoring difficulties and the fragmentation of beneficiaries. These are followed by the European Social Fund (ESF) and the European Regional Development Fund (ERDF), which show risks in social and infrastructure projects, while Erasmus+ stands out due to the complexity of international oversight.

The SAPS and NRDP programmes together account for over 50% of suspicions, indicating that agriculture is the most affected sector, followed by POCU and Erasmus+, where activity complexity and weak verification mechanisms favour the emergence of fraud. The most frequently involved types of beneficiaries are commercial companies and associations, representing over 50% of cases, while NGOs, foundations, and agricultural entities also contribute significantly, reflecting structural vulnerabilities in the private and non-profit sectors.

Regarding the legal nature of fraud, the most prevalent offences are corruption and document forgery, classified under Law No. 78/2000 and the Penal Code, with high incidence under Articles 18(1) and 322. Confirmed cases show a rate exceeding 50%, especially in the agricultural sector, as well as within the ESF and ERDF. Public institutions, although less involved in numerical terms, record higher average fraud values, highlighting the importance of strict oversight in public projects.

The analysis reveals a recurring network of fraudulent practices, suggesting the need to strengthen preventive mechanisms, digitalisation, independent auditing, and interinstitutional cooperation. The findings confirm the conclusions of the academic literature regarding the vulnerability of agricultural funds, the fragility of administrative control, and the prevalence of corruption and forgery as the main methods of fraud, reaffirming the necessity of systemic reform in the management of European funds.

## **Chapter 6. Study II on Irregularities and Fraud within the Competitiveness Operational Programme between 2014 and 2020**

This study analyses data on suspected fraud and irregularities within the Competitiveness Operational Programme for the 2014–2020 period, revealing that out of 462 reported cases, 344 irregularities were confirmed, generating recoverable claims exceeding 258 million RON. This indicates significant losses to the public budget. Although fraud accounts for only 9.1% of the total suspicions, it involves clear intent and systematic abuse, in contrast to the majority of irregularities, which are unintentional.

The year 2023 recorded the highest number of irregularities, reflecting increased pressure during the final phases of the programme and a possible relaxation of oversight. Priority Axis 1, focused on research and innovation, accounted for over half of the suspicions, suggesting that emerging fields are the most vulnerable due to their complexity and monitoring challenges. The ICT sector and SMEs, through Axes 2 and 3, follow in significance, indicating elevated risk in both digital and entrepreneurial sectors.

The majority of debts were identified in the public sector, accounting for nearly 69%, highlighting administrative difficulties and weak compliance within public institutions. Projects under Sub-Axis 1.1.4, aimed at attracting highly qualified personnel from abroad, proved to be particularly vulnerable, generating a high share of total debts and pointing to issues of justification and activity control.

The Audit Authority identified the highest proportion of debts, followed by Intermediate Bodies and the Managing Authority, underscoring differentiated institutional involvement and the need to strengthen interinstitutional collaboration. The findings confirm observations from the academic literature, which point to high risks in complex programmes and stress the importance of external audit, decentralised control, and procedural simplification.

The prevalence of unintentional irregularities supports the need for continuous training of beneficiaries, while the central role of auditing and intermediary mechanisms in the early detection and prevention of fraud becomes crucial for the sound management of European funds and for maintaining trust in the state's capacity to manage external resources.

## **Chapter 7. Study III on the Statistical Evaluation of Irregularities and Fraud within the Human Capital Operational Programme (POCU) between 2014 and 2020**

The study on the Human Capital Operational Programme for the 2014–2020 period highlights a series of systemic dysfunctions in the management of European funds, reflected in the 859 reported suspicions of fraud and irregularities. These cases primarily involved NGOs, local authorities (UATs), limited liability companies (SRLs), and educational institutions.

Statistical analysis shows that NGOs were the main beneficiaries of the funds but also the primary source of financial damage, followed by UATs, which generated the highest average losses, indicating administrative fragility among local institutions. The private sector, represented by SRLs and micro-enterprises, faced challenges in complying with funding requirements, while educational institutions, though generally more robust, were not entirely immune to irregularities.

The axes most affected by irregularities relate to social inclusion and employment, with the predominant types of irregularities including ineligible expenditures, incorrectly awarded subsidies, and procurement-related issues. The



total value of the financial damages exceeds 495 million RON, reflecting both the scale of the managed funds and systemic weaknesses in control mechanisms.

The most common irregularities, with an average of 2.21 per beneficiary, include false reporting, conflicts of interest, and direct fraud. Their incidence increased under the pressure to absorb funds quickly and due to administrative complexity. The analysis confirms that the majority of irregularities were unintentional, caused by lack of training and the difficulty in interpreting European regulations. However, the 13% share of fraud cases reveals a deliberate component fuelled by corruption and institutional weaknesses.

The application of 100% financial corrections in over half of the cases indicates a severe lack of compliance and an urgent need for corrective measures. In conclusion, the study underscores the necessity of strengthening administrative capacity, ensuring continuous training for beneficiaries, simplifying procedures, and enhancing monitoring and fund recovery systems in order to guarantee the efficient and proper use of European resources.

## **Chapter 8. Study IV on Fraud and Irregularity Incidents within the Agency for Rural Investment Financing (AFIR) during the 2014–2020 Period**

The research on fraud and irregularities identified by AFIR during the 2014–2020 period shows that the legal form of beneficiaries significantly influences the risk of irregularities, with entities such as limited liability companies (SRLs), authorised individuals (PFAs), sole proprietorships, and local authorities (UATs) being the most exposed due to limited administrative capacity and challenges in complying with European requirements (Modrušan et al., 2021; Rodríguez-Pose and Garcilazo, 2015).

AFIR's verifications identified practices such as falsified and backdated documents, suspicious signatures, fictitious reimbursements, and conflicts of interest, signalling major institutional weaknesses in fraud prevention (Fazekas and Tóth, 2016; Kaufmann, 2018). The distribution of cases confirms that regions with weaker

infrastructure and a higher number of projects—such as Dolj, Tulcea, Cluj, and Bihor—concentrate both the highest number of incidents and the largest financial losses.

Dolj and Olt recorded significant losses in agricultural and infrastructure projects, while Cluj, despite having a more robust administrative apparatus, proved vulnerable due to the high volume of complex projects. Among funding measures, the largest losses were reported under Measures 4.1, 7.2, and 4.3, which involve investments in agricultural and rural infrastructure, while Measure 6.2 raised issues in the non-agricultural entrepreneurial sector, highlighting the difficulties small entrepreneurs face in managing funds.

The discussions highlight that risks are linked both to the legal form of the beneficiary and to regional specificities, confirming Kaufmann's (2018) analysis regarding the vulnerability of small organisations to bureaucratic requirements. Measures with a technical or cross-border character, such as those managed in Cluj and Bihor counties, increase the risk of irregularities, and the geographic and economic context plays a decisive role in implementation capacity.

Losses in Olt and Galați counties reflect an imbalance between available resources and funding requirements, underscoring the need for administrative reform and the professionalisation of beneficiaries in vulnerable areas. The study suggests that preventing irregularities requires a combination of strengthening local institutional capacity, continuous monitoring, and simplification of the regulatory framework.

## **Chapter 9. Study V on Experts' Perceptions of Corruption and Fraud in the Management of European Funds**

The qualitative research on fraud and corruption in the management of European funds employed the semi-structured interview as the primary investigative method, offering a detailed perspective on the perceptions of actors involved in governance. Participants included civil servants, magistrates, and public policy experts, whose views were analysed through thematic coding using SURVIO software.

The question set addressed the causes of corruption, the effectiveness of prevention measures, and institutional limitations. A participation rate of 61% revealed a notable reluctance to openly discuss these issues. Respondents highlighted the lack of political will and administrative weaknesses as fundamental causes of systemic dysfunctions, echoing the conclusions previously outlined by Coetzee and Isoaho.

The majority of participants expressed distrust towards official statistics and argued that the actual scale of fraud is significantly higher than reported. The need for professional training, digitalisation, and interinstitutional cooperation emerged recurrently, with over 85% supporting training in the use of electronic platforms and regular audits.

Almost all respondents recognised the necessity of a unified national database on public procurement, considering it crucial for enhancing transparency. Furthermore, excluding entities involved in fraud from procurement processes and access to European funds was strongly supported as an essential preventive measure.

Opinions were divided regarding EU tools such as ARACHNE and DAISY, with only 45% considering them to be used effectively—an indication of technological integration issues and lack of training. The proposal for a free online anti-corruption training platform was supported by 80% of respondents, underlining the role of education in strengthening institutional resilience.

The discussions confirmed earlier findings in the literature on the adaptive and often invisible nature of corruption, emphasising the importance of a systemic

and preventive approach in strengthening the governance of European funds and restoring public trust in the institutions responsible for safeguarding the common interest.

## **Chapter 10. Study VI on Politicisation and Corruption Networks in the Agriculture of the Danube Delta: The Impact of Informal Structures on Local Governance**

Set against the backdrop of a region with unique agricultural and ecological potential, this study on informal governance in the Danube Delta reveals the profound ways in which corruption and politicisation influence both local agriculture and institutional structures. Despite the existing legal framework and European support aimed at sustainable development, the agricultural sector in the Delta has become a stage for informal networks of influence, where decisions are not based on community needs or professional criteria, but rather on political affiliation and personal loyalty. This mode of functioning affects the distribution of resources, access to subsidies, and the appointment to public positions, distorting the objectives of agricultural policy and undermining citizens' trust in state institutions.

The Delta's social and economic context, marked by poverty, isolation, and dependency on public support, facilitates the entrenchment of these clientelist networks. Local institutions are often weak, bureaucratised, and susceptible to influence, with limited transparency in the fund allocation process—conditions that foster a favourable environment for abuse. The phenomenon of land concentration in the hands of politically connected actors, who benefit from concessions and subsidies via opaque mechanisms, compromises equitable agricultural development and diminishes the opportunities of small-scale farmers to access the necessary support.

These practices also have significant social repercussions, eroding social capital and discouraging civic engagement. Local administrations become reliant on informal directives, while development projects, such as the Fish Market, fail due to lack of coherence, consultation, and administrative ownership. From an ecological standpoint, the absence of a sustainable vision and the subordination of decision-

making to short-term interests contribute to the degradation of natural resources. The findings of this study underline the urgent need for reforms to reduce politicisation, strengthen transparency, and revive civic oversight, in order to transform agriculture in the Danube Delta into a fair and sustainable sector.

## **GENERAL CONCLUSIONS**

This research analyses the absorption of European funds in Romania during the 2014–2020 period, offering a political science perspective on the relationship between institutional performance and the typology of irregularities and fraud. The study distances itself from legal-technical approaches and proposes a more complex reading of European funds as instruments influenced by networks of interest, politicisation, and institutional legitimacy.

Fund absorption is examined in relation to phenomena of political corruption, which undermine the coherence of the institutional architecture and public trust in the European Union. The thesis puts forward an explanatory model of the interaction between formal compliance and actual effectiveness, which can also be applied to other Central and Eastern European states.

At the institutional level, the study highlights the essential role of OLAF and the EPPO in combating fraud, demonstrating the effectiveness of a hybrid intervention model, while also noting vulnerabilities stemming from the absence of widespread participation. The evaluation of the national framework shows progress in transposing European directives and in interinstitutional cooperation; however, challenges persist regarding administrative capacity and organisational culture.

The analysis of DLAF control reports reveals the high exposure of agricultural and rural development funds to fraud, with a significant percentage of confirmed cases, signalling a systemic risk. The study of the Competitiveness Operational Programme uncovers administrative pressures and vulnerabilities in strategic sectors such as research and information technology, where the complexity of projects and the pace of innovation complicate oversight.

The public sector, although responsible for most of the debts, struggles with management, while the private sector faces administrative errors and risks. The results indicate the need to strengthen preventive controls, digitalisation, and continuous staff training. An integrated and transparent system, supported by institutional cooperation and digital technologies, is essential for safeguarding EU funds.

Overall, the research proposes a re-analytical positioning of European funds as an indicator of governance quality and of the state's capacity to respond responsibly to European challenges.

## **RECOMMENDATIONS**

- Legislative harmonisation among Member States is vital to establish a unified procedural framework supporting the work of the EPPO, facilitating cross-border investigations and judicial cooperation
- Broadening participation in the EPPO is necessary to avoid fragmentation of the European criminal justice system; non-participating states should be encouraged through dialogue and technical support
- Institutionalised collaboration between EPPO, OLAF, Eurojust and Europol through joint protocols, rapid information exchange and integrated investigation teams
- Investment in digitalisation and database interoperability, including the use of AI for real-time fraud detection
- Professionalisation of human resources through continuous training, institutional mobility and exchange of best practices between European and national structures
- Transparency and active public communication regarding the activities of the EPPO and OLAF to strengthen public trust in the protection of the EU's financial interests

- Development of a coherent and adaptable legislative framework in Romania, particularly in the context of new financial instruments such as the National Recovery and Resilience Plan (NRRP)
- Enhancement of administrative capacity through institutional stability, adequate resources and strengthened ex-ante audit and control structures
- Cultivation of an organisational culture based on integrity, inter-institutional cooperation and clearly defined functional responsibilities
- Periodic reassessment of the National Anti-Fraud Strategy, in line with emerging risks and socio-economic realities
- Broad public access to EU funds data and involvement of civil society in monitoring processes to increase legitimacy and transparency
- Strengthening operational partnerships between DLAF, the EPPO and judicial authorities via clear communication channels and functional protocols
- Full digitalisation of the fund management process with publicly accessible platforms, the use of ARACHNE and AI integration for risk prevention
- Increased audit and control capacity, especially in vulnerable counties, through specialised teams and intensified on-site verification
- Encouraging collaboration between institutions and beneficiaries through mentoring, advisory services and common compliance and reporting standards.

## **GOOD PRACTICES IN EU FUNDS ABSORPTION ACROSS MEMBER STATES**

### **Poland – Multilevel governance and regional autonomy**

- Established a functional relationship between central and regional levels
- Professionalised regional development agencies with operational autonomy
- Regional strategies aligned with national and EU priorities
- Digital fund management led to predictable and efficient absorption
- Legislative stability proved a key success factor

### **Estonia – Digitalisation and artificial intelligence**

- Developed an integrated digital platform for managing EU funds
- Eliminated physical paperwork, reducing bureaucracy and increasing transparency
- Beneficiaries can submit applications, track progress and receive notifications online
- AI is used for automatic fraud detection and implementation risk analysis

### **Portugal – Results-based monitoring**

- Mid-term evaluation and strategic adjustment system based on performance indicators
- Active collaboration with academia for impact assessment and evidence-based policymaking
- Decentralised yet well-coordinated institutions focused on efficiency

### **Lithuania – Public participation and participatory budgeting**

- Extensive public consultations and participatory online platforms
- Citizen involvement increased transparency and trust in EU policy
- Resources allocated more effectively to local community needs

### **Czech Republic – Professionalised administration and partnerships**

- Ongoing training programmes for civil servants
- Institutional mobility and performance-based incentives
- Support for public-private partnerships to maximise fund impact



### **Common principles across these practices**

- Regional autonomy + central coordination = efficient allocation and territorial adaptation
- Digitalisation = reduced bureaucratic risks and increased transparency
- Citizen and local partner involvement = legitimacy and sustainability
- Human resource professionalisation and results-oriented culture = institutional efficiency
- Administrative innovation and cross-sector collaboration = enhanced absorption and impact.

## **PUBLIC POLICY RECOMMENDATIONS FOR ROMANIA**

### **Professionalising the public administration**

- Continuous training and specialisation for staff managing EU funds
- Job stability and elimination of arbitrary political appointments
- Introduction of a merit-based performance evaluation and rewards system

### **Simplifying and clarifying the legal framework**

- Reform of public procurement and project implementation regulations
- Adoption of a coherent, stable and predictable regulatory framework aligned with EU standards
- Elimination of legal ambiguities and reduction of procedural bottlenecks

### **Accelerating administrative digitalisation**

- Full digitalisation of the project lifecycle: application, evaluation, implementation, monitoring, reporting
- Creation of integrated digital platforms for interinstitutional communication and real-time public access to information
- Use of modern technologies to enhance transparency and reduce errors

### **Decentralising fund management**

- Strengthening the role of local and regional authorities in programme coordination

- Granting regional development agencies more autonomy in planning and implementation
- Adapting interventions to territorial specificities for balanced development

#### **Involving civil society and the academic sector**

- Genuine, not merely formal, consultations with non-governmental actors at all project stages
- Introduction of participatory budgeting at local/regional levels
- Collaboration with universities for evaluation, impact analysis and policy innovation

#### **Creating an organisational culture of learning and evaluation**

- Implementation of a robust results-based monitoring and ex-post evaluation system
- Promotion of learning from both best practices and failures for continuous policy adaptation
- Transparent dissemination of outcomes and lessons learned

#### **Depoliticising fund allocation**

- Establishment of independent evaluation committees and digitalisation of the selection process
- Introduction of mixed oversight mechanisms (administration – civil society – experts)

#### **Articulating a coherent strategic framework**

- Integration of the NRRP with Operational Programmes and national sectoral strategies
- Elimination of fragmentation and focus on sustainable development, green transition and resilience

## **DIGITALISATION STRATEGIES FOR PUBLIC ADMINISTRATION**

### **Digitalisation = structural reform, not merely technological upgrade**

- Represents a profound transformation in governance models
- Aims not only for technical efficiency but for the regeneration of institutional and democratic legitimacy
- Responds to pressures for modernisation and declining public trust in the state

### **Reconfiguring the state–citizen relationship**

- Facilitating rapid, direct and transparent access to public services
- Digitalisation symbolically redistributes power in favour of the citizen
- Revitalises the social contract in an era of growing polarisation

### **Multilevel, coherent and coordinated digital governance**

- Cooperation between local, regional and central authorities via interoperable systems
- Avoidance of fragmentation through a systemic digital public policy
- Requires political will and consistent resources at all governance levels

### **Transforming institutional capacity**

- Digitalisation must be integrated with administrative reform and professionalisation
- Procuring equipment is not enough – operational logic must change
- Focus on outcomes, not merely formal compliance

### **A tool for democratisation and public participation**

- Broader access to public information via open data platforms
- Digital consultations and online participatory budgeting to boost civic engagement
- Strengthening deliberative democracy and a modern civic space

### **Mechanism for integrity and anti-corruption**

- Process automation reduces corruption and bureaucratic discretion
- Digital systems for procurement, project tracking and conflict-of-interest detection

- Supports ethical and accountable governance

### **Digital inclusion and protection of fundamental rights**

- Policies ensuring equitable access for the elderly, disadvantaged groups and rural populations
- Prevention of digital exclusion and protection of personal data
- Guarantee of universal access to the benefits of digitalisation

### **Strengthening digital sovereignty**

- Digitalisation as a geopolitical tool for resilience and technological autonomy
- Reducing dependence on external platforms and enhancing cybersecurity

### **Final vision: a digital, democratic and efficient state**

- Digitalisation is a tool for democratic reform, not just technical modernisation
- Increases trust in institutions, governance efficiency and adaptive capacity in times of uncertainty

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