From centralisation to regional empowerment: impacts on absorption capacity and complementarity of EU funds in Romania

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Abstract: This paper investigates Romania's shift in EU funds governance during the 2021–2027 programming period, when regional development agencies became managing authorities for regional programmes. It addresses two research questions: (1) whether and how this reconfiguration influences absorption capacity, and (2) whether the coexistence of national and regional interventions generates complementarities or, alternatively, overlaps. The analysis employs desk research, a comparative assessment of programming periods, and case studies on selected thematic areas such as energy efficiency interventions (under NRRP and Cohesion policy).

Using these methods, the study is guided by the hypothesis that regionalisation of programmes enhances administrative responsiveness, improves absorption capacity, strengthen the quality of the project pipeline, and increases the alignment of interventions with regional development needs. A second hypothesis suggests that the coexistence of national and regional funding generates complementarities—particularly through closer alignment with local priorities—but may also sustain risks of fragmentation and duplication when national and regional interventions target similar domains.

By analysing these dynamics, the paper provides empirical insights into the performance of EU funds in Romania and seeks to clarify how evolving governance arrangements may influence important elements such as absorption rate, how complementarities between national and regional interventions might develop in practice, and under what circumstances overlapping funding structures could generate certain inefficiencies.