

**ROMÂNIA ȘI CONTEXTUL
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ROMANIA: FIRST STEPS TO STIMULATE THE REGIONAL DEVELOPMENT IN A EUROPEAN CONTEXT*

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Abstract. *In Romania, as in many other states from Central and East Europe, after the fall of communism, the regionalization topic becomes more present in order to support a closer relation to the West, respectively to the European Union. This article presents the main legislative changes in Romania at regional level in the first years of democracy. The goal of these changes was to reduce disparities between regions to support sustainable economic growth. The results show that efforts have been made in order to efficiently regionalize Romania, but there is not yet a final and sufficiently performant structure.*

Keywords: regional development, legislative changes, European regional policy, territorial units, disparities

In Central and Eastern Europe countries, the subject of regionalization returned during the 1990s, being influenced by several supranational factors, such as the restoration of democracy, or the growing desire for rapprochement with the West and the European Union¹. Regarding Romania, its economic development after 1989 was influenced by the deficiencies and imbalances registered during the communist period, with its centralized character. This determined the establishment of a clear objective after 1989 for the regional development of Romania, namely, the reduction of the differences between the counties, by supporting the economic initiatives.

In making a model, the history of Romanian administrative units was taken into account, which was always based on small territorial communities, incorporated in administrative entities of different sizes, which, starting from the XIII-XIV centuries,

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¹ Joseph E. Stiglitz, *Globalizarea: speranțe și deziluzii*, Bucharest, Economica Publishing House, 2003, p. 224.

„Anuarul Institutului de Istorie «George Barițiu» din Cluj-Napoca. Series Historica”, LIX, 2020, Supliment, 2, *Lucrările conferinței internaționale online „ROMANIA-ITALIA-EUROPA. Evoluții istorice - Dinamici culturale - Relații internaționale”, 16-18 septembrie 2020*, p. 463-469.

were consolidated in counties and local units (communes). These formations have always followed a simple and efficient administrative hierarchy, at the top of which was the central state body².

The new administrative organization after the return to democracy has a strong influence of the centralized structure and is based on the idea of forming economically efficient regions. The regional development policy becomes a new concept for Romania, and the first actions in this regard have been carried out since 1995, in the context of the accession negotiations to the European Union³. According to the European Commission, regional policy is addressed to all regions and cities in the European Union, supporting job creation, business competitiveness, economic growth, sustainable development and improving the quality of life⁴. Regional policy can cover a wide range of areas such as economic, cultural, social or environmental and can lead to a variety of beneficial actions for the development of these areas such as investment, environmental protection, culture or education. Regional policy is applied and formulated individually for each country, taking into account a number of objectives, but also the priorities of each. Regional policy is not only a form of development and consolidation of differences between regions or differences related to their component parts, but also represents the consequence of changes related to spatial development, process influenced by the socio-demographic and territorial changes from the last decades.

In 1995 started the elaboration of the Green Charter of Regional Development, by the Romanian Government and European Union, project completed in 1997 within the PHARE pre-accession program, designed for regional development policy for Central and Eastern European countries. Through this document, the criteria of Romania's regional development policy were established, including the description of Regional Development Agencies organizational structure with an important role in implementing the regional development policy⁵. The objectives of the regional development policy at that time were to prepare Romania for integration and especially for the possibility of accessing structural funds, to reduce regional disparities between

² Ion Iordan, *Regionalizare – Cum? Când? Structuri administrativ-teritoriale în România*, Bucharest, CD Press Publishing House, 2003, p. 27.

³ European Commission, *EU and Romania*, available at https://ec.europa.eu/romania/about-us/eu_romania_ro, accessed 15 June 2020.

⁴ European Commission, *Regional Policy is the EU's main investment policy*, available at https://ec.europa.eu/regional_policy/ro/policy/what/investment-policy/, accessed 15 June 2020.

⁵ Bucharest-Ilfov Regional Development Agency, *Regional development policy in Romania - Green Paper*, available at <https://www.adrbi.ro/despre-noi/dezvoltarea-regionala-in-romania/>, accessed 15 June 2020.

different regions in Romania, but also to integrate public sector activities in order to achieve a higher level of regions development⁶.

Thus, in 1998, by Law no. 151, eight regions were created (North-West, North-East, South-West, South-East, South, West, Centre, Bucharest - Ilfov) grouping each several counties, with a Regional Development Council composed of representatives of each county. The role of this council is to coordinate the Regional Development Plan⁷. This project was based on the voluntary association of existing counties. The eight development regions were relatively similar, comprising six or seven counties, with a size of over 30,000 km² and 3,000,000 inhabitants⁸.

According to the Law no. 151 from July 15, 1998, on regional development in Romania, the concrete way in which it was decided to establish such forms of administrative-territorial organization was made by an agreement, signed by the representatives of the county councils. The Regional Development Council reviews and decides on the regional development strategy and programs⁹. Along with the establishment of this Council, it is also decided to establish a Regional Development Agency¹⁰, coordinated by the Council. The newly formed agencies are non-governmental bodies, of public utility, with legal personality and which do not pursue profit. The main tasks of the Regional Development Agency are: elaboration of the regional development strategy, regional development programs and fund management plans, which are proposed by the Regional Development Council¹¹.

The establishment of such structures determined a complex mechanism that also required the construction of similar institutions for regional and national development. Thus, was formed the National Council for Regional Development¹², composed of the presidents and vice-presidents of the councils for regional development, together with representatives of the Government, appointed by the Government decision. The main function of the National Council for Regional Development is to approve the National Strategy for Regional Development and the National Program for Regional

⁶ Bucharest-Ilfov Regional Development Agency, *Green Paper on Regional Development*.

⁷ "Official Journal of Romania", *Law no. 151 from 15 July 1998 on regional development in Romania*, Art. 6.

⁸ Ministry of Public Works, Development and Administration, *Report on the territory - Romania 2017*, available at

<https://www.mlpsda.ro/userfiles/Raport%20privind%20starea%20teritoriului%202017.pdf>, accessed 15 June 2020.

⁹ "Official Journal of Romania", *Law no. 151/1998 on regional development in Romania*, Cap. 2, Art. 1.

¹⁰ *Ibidem*, Art. 8.

¹¹ *Ibidem*.

¹² *Ibidem*, Art. 6.

Development, establishing the criteria, priorities and the way of allocating resources¹³. In order to promote and coordinate the regional development policy, the National Agency for Regional Development was established, as an executive body of the National Council for Regional Development, with legal personality, headed by a president, with the rank of Secretary of State¹⁴.

Because Law no. 151 from 1998 did not specify all the conditions and did not legitimize the legal framework in the sense of preparing an efficient integration, the Romanian Parliament elaborated a new law, namely Law no. 315 from 2004, which established the institutional framework, objectives, competences and instruments specific to the regional development policy in Romania¹⁵. Therefore, Law no. 315, published in the Official Gazette on June 29, 2004, subsequently amended and supplemented by Emergency Ordinance no. 111/2004¹⁶, represented the fundamental law of regional development in Romania. It transposed into a legal framework all the procedures that have been carried out in recent years in the field of regional development, procedures that were not previously included in a unitary legal framework, but in several amendments to the previous law¹⁷.

According to the new law, regional development policy was defined as a set of policies developed by the Government, through central public administration bodies, local public administration authorities and specialized regional bodies, in consultation with socio-economic partners involved, in order to ensure balanced and sustainable social growth and development of geographical areas constituted in development regions, to improve Romania's international competitiveness and to reduce the existing economic and social gaps between Romania and member states of the European Union¹⁸.

In order to elaborate this law, were established objectives of the regional development policy in Romania like:

a) diminishing the existing regional imbalances by stimulating the balanced development, the accelerated recovery of the delays in the economic and social field of the less developed areas, as a result of some historical, geographical, economic, social, political conditions, as well as the prevention of new imbalances;

¹³ *Ibidem*, Art. 11.

¹⁴ *Ibidem*, Art. 13.

¹⁵ "Official Journal of Romania", *Law no. 315 from 28 June 2004 on regional development in Romania*, Art. 1.

¹⁶ *Emergency Ordinance no. 111 from 16 November 2004 for modification and completion of the Law no. 315/2004 on regional development in Romania*.

¹⁷ Adrian Basarabă, *Regional policy*, Timișoara, EUROBIT Publishing House, 2008, p. 53.

¹⁸ "Official Journal of Romania", *Law no. 315/2004 on regional development in Romania*, Art. 2, Al. 1.

b) correlation of governmental sectoral policies at the level of regions by stimulating initiatives and by capitalizing on local and regional resources, in order to sustainably improve economic, social and cultural development;

c) stimulating interregional, internal and international cross-border cooperation, including within the Euro regions, as well as the participation of development regions in European structures and organizations that promote their economic, social and institutional evolution, to promote projects of common interest, in accordance with the international agreements to which Romania is taking part¹⁹.

As a tool to maximize regional performance, the European Union has established a common classification of territorial units for statistics, known as NUTS - Nomenclature of Territorial Units for Statistics. Its purpose is to facilitate the collection, development and publication of regional statistics at EU level²⁰. The system is based on Regulation (EC) No 1059/2003 of the European Parliament and of the Council from 26 May, 2003, on the establishment of a common nomenclature of territorial units for statistics, which shall be regularly updated²¹. The system is also used for socio-economic analyses of regions, but also as a specific instrument of cohesion policy at EU level. According to the hierarchy, the system subdivides each Member State into three levels: NUTS 1, NUTS 2 and NUTS 3. A Member State may decide to add additional levels in the hierarchy by subdividing the NUTS 3 level²².

Unlike other negotiation chapters, the regional development acquis does not define how the specific structures for implementing the Community requirements should be created, but only mentions what they are. Therefore, in Romania's case, the situation is as follows: NUTS 1 - four macro-regions, NUTS 2 - the eight development regions (figure no. 1), NUTS 3 - 41 counties plus the capital city (Bucharest), NUTS 4 - is not applicable for our country, so that at NUTS 5 we have 263 cities, of which 82 are municipalities and 2,685 communes with 13,285 villages²³.

¹⁹ *Ibidem*, Art. 3.

²⁰ Eurostat, *Glossary: Nomenclature of territorial units for statistics (NUTS)*, available at [https://ec.europa.eu/eurostat/statisticsexplained/index.php/Glossary:Nomenclature_of_territorial_units_for_statistics_\(NUTS\)](https://ec.europa.eu/eurostat/statisticsexplained/index.php/Glossary:Nomenclature_of_territorial_units_for_statistics_(NUTS)), accessed 15 June 2020.

²¹ Publications Office of the European Union, *Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS)*, available at <https://op.europa.eu/ro/publication-detail/-/publication/bcae7b50-f9df-467d-910b-dde2a623c215/language-ro>, accessed 20 June 2020.

²² European Parliament, *Common classification of territorial units for statistics (NUTS)*, available at <https://www.europarl.europa.eu/factsheets/en/sheet/99/nomenclatorul-comun-al-unitatilor-teritoriale-de-statistica-nuts->, accessed 12 July 2020.

²³ Permanent Representation of Romania to the European Union, *Romania – General information*, available at <https://ue.mae.ro/romania/137#null>, accessed 18 June 2020.



Fig. no. 1. NUTS 2 - the eight development regions in Romania
 Source. European Commission – Eurostat

Analysing the aspects listed above, we could conclude by saying that Romanian regionalization was done without solid foundations, without a thorough documentation, being more the elaboration of a project in a fast way that would allow it access to the PHARE Program and other accession funds. A clarification in this regard is also contained in an article of the Law on regional development in Romania from 1998: permanent financial assistance from the European Union, within the PHARE Program.²⁴ Therefore, in Romania there is not yet a very strong regional culture, the concept of regional policy is just at the beginning. In short, the difficulties of local communities to work together at regional level for a common goal are easy to

²⁴ "Official Journal of Romania", *Law no. 151/1998*, Art. 15.

see, which makes the authorities more concerned about the effective functioning of the regional policy.

The events of recent years have shown that the regions have been set up according to criteria that were not viable in practice and that have not stimulated local initiative and cooperation in a regional spirit. The lack of a regional identity did not give rise to regional development projects, but rather to inter-county projects. This makes a necessity the creation of an optimal strategy that responds to real needs and determines the writing of regional programs, proposed by the regions.

The last years have proved the need for an efficient regional development policy in Romania, because its existence aims to stimulate and diversify activities and investments, leading to an improvement in living standards, but also to a permanent adaptation to the institutional framework and requirements of the European Union.

