

REGIONAL DEVELOPMENT IN SUSTAINABLE DEVELOPMENT CONTEXT

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ABSTRACT: *The concept of sustainable development is built on the premise that human civilization is a sub-system of the Ecosphere and is dependent on its material and energy flows, on its stability and capacity for self-adjustment. Public policies that are being developed on this assumption, such as Romania's National Sustainable Development Strategy, seek to restore and preserve a rational and enduring equilibrium between economic development and the integrity of the natural environment in ways that society can understand and accept.*

KEY WORDS: *development, sustainable, economy, region, integration*

The debates on the successive drafts of this thesis that took place in the eight development regions of Romania confirmed the findings of the Regional Operational Programme 2007-2013, which was adopted in April 2007, regarding the weak points identified at region level:

- Concentration of economic growth and of foreign direct investments around the city of Bucharest and increasing disparities compared to the other regions, accompanied by worsening congestion of the capital;
- Socio-economic decline of a significant number of large cities and their diminished role in the development of the adjacent areas and of the regions;
- Increasing demographic imbalances at regional level, with severely altered age structure and population ageing, showing an alarming trend especially in the southern part of the country;
- Loss of urban functions in many small and medium towns, especially in monoindustrial localities that were affected by restructuring and the resulting deterioration of social problems;
- Re-emergence of the historical development imbalance between the eastern and the western parts of the country, economic decoupling of traditionally underdeveloped areas in the eastern, northern parts of the country and the areas along the Danube;
- Poor accessibility of certain areas, with a negative impact on local development;

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- A labour force deficit in large areas, due to decreasing population, massive temporary migration and ageing, adding pressure on social and health services;
- Potential economic stagnation in mountain areas;
- Low competitiveness of many businesses, especially in tourism, poor level of labour productivity and capital investments, lack of managerial skills, low degree of modern technology use;
- Poor quality of public infrastructure, degradation urban utilities, inability to preserve historical and cultural assets;
- Limited experience and ability of local public authorities to manage complex sustainable development programmes including the economic, social and environmental components.

These observations provided the background for the measures to be taken by regional, county and local authorities with a view to remedy and significantly improve the situation in the short and medium term.

Horizon 2013. Strategic Objective: To support sustainable and territorially balanced economic and social development of the Romanian regions according to their specific needs and resources by concentrating on urban poles for growth; improving infrastructure and business environment so as to make Romanian regions, especially those lagging behind, more attractive places to live, visit, invest in and work.

For this purpose, the provisions of the Regional Operational Programme will be implemented, following the specific objectives:

1. To enhance the economic and social role of urban poles by adopting a polycentric approach with a view to a more balanced development of the regions. It is envisaged that funds allocated to urban development be spent as follows: 60% for urban public infrastructure, 25% for social infrastructure and 15% for improving the business environment. Considering previous EU experiences, the main instrument for intervention will be the integrated urban development plans, organically combining economic, social and environmental elements according to sustainable development principles. Such plans, to be prepared in a broad participative framework and involving all relevant actors, shall comprise projects addressing the following types of actions:

- Rehabilitation of the urban infrastructure and improvement of municipal services, including transport, by means of: physical and functional renovation of buildings having historical, cultural or artistic value; planned demolition of abandoned structures or badly deteriorated buildings that are not listed as belonging to the national heritage; modernisation of public areas and related infrastructure (street network, pedestrian areas, sidewalks, public lighting, etc.);
- Development of the business environment by cultivating entrepreneurship, improving business infrastructure and supporting economic activities that make optimal use of the local human and material resources.
- Modernisation of social infrastructure by means of physical and thermal rehabilitation of multi-family housing owned by the city administration and support for house owners' associations to undertake such work; provision of premises and proper endowment for social services (child-care centres, old people's homes, centres providing assistance to disabled persons, youth centres); measures in support of public order and citizens' safety. By 2015, integrated urban

development plans will be implemented in 30 localities, benefiting about 400,000 people; 400 companies will receive support to set up business leading to the creation or preservation of 1,500 jobs.

2. To improve access to regions, in particular to urban centres and to provide links to neighbouring areas. Besides the targets mentioned in Part III, Chapter 1.2 (Sustainable transport), the county road network will be rehabilitated and upgraded over a length of 877 kilometres and the urban street network (411 km) by 2015, the ring roads (up to 219 km) will be built or upgraded, leading to an increase of road freight and passenger traffic by 10%, while improving safety conditions. Taking into account the specific needs resulting from the development level of each Romanian region and considering that the regions have an insufficient and uncompetitive transport infrastructure, which does not meet the requirements of the EU Single Market, it is expected that the profitability, value added and lateral benefits of investments in infrastructure will be considerable.

3. To improve the social infrastructure of the regions. The measures and targets that are envisaged in the short and medium term in order to decentralise health and education services, to improve their effectiveness and to strengthen the accountability of regional, county and local authorities are detailed

4. To strengthen the regional and local business environment, with the following key areas of intervention:

- Development of sustainable business support structures of regional and local importance, drawing on the positive experience of the industrial park projects that were financed under the PHARE CES 2004-2006 programme: building, rehabilitation or expansion of buildings devoted exclusively to production and service activities, except for those hosting business incubators; rehabilitation and expansion of the street networks within the business structures and of access roads; provision of basic utilities and broadband cabling and connection; demolition of redundant buildings inside business areas, rubble and waste removal, garbage collection services; promotion activities.
- Rehabilitation of unused polluted industrial sites and preparation of such sites for new activities (brownfield development): clean-up and ecological rehabilitation; demolition of unusable buildings and levelling the ground; rehabilitation and expansion of buildings that can be used for production or services; making the public utility infrastructure fully operational; cabling and Internet connection, etc.
- Support for the development of micro-enterprises in order to revitalize the underdeveloped areas, especially small and medium-size towns, with a view to using the specific potential of the regions and promoting new technologies and innovation by facilitating the acquisition of state-of-the-art technologies for production, services and construction, as well as of digital equipment and software; re-locating the micro-enterprises into business structures; providing logistical services.

By 2015, the Programme foresees the development of 15 business structures, the rehabilitation of polluted industrial sites in an area up to 500 hectares, the setting up of 1,500 micro-enterprises leading to a 50% increase of the employment rate in business structures two years after the completion of each project, the creation of 4,000

new jobs in business structures and 3,000 more jobs following support to micro-enterprises.

5. To support the sustainable development and promotion of tourism through measures aimed at turning to good account those elements of the cultural heritage and natural resources that have a potential for tourism, and improving the quality of accommodation and leisure infrastructure in order to increase the attractiveness of the regions, to develop local economy (trade, construction, transport, catering, small industries and crafts) and to create new jobs:

- Restoration and promotion of cultural heritage and development or upgrading of related infrastructure.
- Development and upgrading of tourism infrastructure in order to capitalize on natural resources and to improve the quality of tourism services by opening access to natural sites that have a tourism potential (canyons, gorges, caves, glacial lakes), while constantly monitoring the pressures on the environment in compliance with the management plans for NATURA 2000 network; enhancing the commercial value of mountain tourism by improving access ways, camping sites and alpine shelters, signposting hiking paths, setting up mountain rescue posts (Salvamont); development of spa tourism; Promotion of tourist potential and development of the necessary infrastructure in order to increase Romania's attractiveness as a tourist destination by projecting a positive image of Romania, shaping and promoting the national tourism brand, developing domestic tourism through a more diversified offer of services and specific marketing activities, including the establishment of an integrated national tourist information service and statistics system online.

By 2015, it is envisaged to implement 400 projects addressing tourism infrastructure, to render support, directly or indirectly, to 350 tourism and travel companies, to organise at least 10 national and international campaigns for the promotion of Romania's tourist brand. At least 10 national tourism information and promotion centres will become operational. The above measures are expected to create 1,000 new jobs. In addition, to the specific provisions of the Programme for spa tourism, it was suggested to expand and diversify the offer of natural therapy procedures in spas, to develop a network of spa centres offering complex wellness services, to promote the original Romanian medication and treatment procedures for senior citizens. In order to accomplish the objectives of the Regional Operational Programme 2007- 2013, the eligible expenditures may be financed up to 85% (Euro 3.7 bil.) from the E.R.D.F., with national public co-financing of 15% (Euro 657.53 mil.) and an estimated financial contribution from private funds of Euro 153.32 mil.

Horizons 2020 and 2030. Existing strategies and programmes regarding the development of the regions do not indicate specific projects beyond the current EU financial programming exercise for 2007-2013, except for some specific targets for the year 2015.

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