

ROMANIA*



“The richness of traditions and cultural customs – the essence of the European charm – is found at the regional level, within the regions, and the links between regions are those that give value to the cultural richness.”

Ion Dumitreț
President of Alba Iulia County

1. Overview

In Romania, the democratic process of overthrowing the communist system took place in the early 90s. In this new context the structure of the new local governments is defined by the Law on Local Public Administration, and the structure of public administration by articles 119–120 of the Constitution. The new local authorities were established by the elections of February 1992, the first to be held in Romania following the collapse of the communist regime. After the four-year mandate of local authorities expired, elections were held again in 1996.



2. The region: definition and context

There are no administrative regions in Romania yet. The country is divided into counties (the counties are the administrative level right next to the national one – NUTS 3), towns and communes, the boundaries of which are established by law. A county consists of a capital, several additional municipalities and all towns and communes within that county’s territorial limits. Certain towns are classified as municipalities. Although the distinction between municipalities and towns has not yet been legally formalized, it traditionally has been based on factors such as territorial size, number of inhabitants and historical, social, economic and cultural importance. Unlike towns, municipalities may have subdivisions (districts), each of which can elect district councils and mayors to act as semiautonomous units. One or several villages and hamlets may form a commune.

As of 1998, Romania was divided into 42 counties (including the municipality of Bucharest, 1 which has county status), 262 towns and 2,686 communes. The territorial limits of each county and its cities, towns and communes are defined by the Law on Local Public Administration. The communes together comprise 13,000 villages, with populations of up to five thousand inhabitants each. Of the towns, eighty are considered municipalities, with populations of more than eighteen thousand; the remaining 182 are towns, each with a population of five to forty thousand.



Development regions: Due to the existence and location of compact zones with similar development characteristics and problems, there has been a call for new problem-solving tools. In response to this need as well as the desire to harmonize with EU structures, emphasis in development has shifted toward regionalization and regional development policies.

The Regional Policy was proposed by the *Green Paper for Regional Policy in Romania* published by the Romanian government and the European Commission in May 1997. It designates eight (8) macroregions (development regions) – NUTS 2 level and priority problem areas as basic regional policy units. Region formation is used as a development tool rather than an administrative structure, since the institutional structure is oriented mainly to help improve the competitiveness of the regions. The regions have been delineated not in terms of similar levels of development, but as potential functional units containing several counties; however, they are divided into subregions according to different developmental characteristics.

The Law on Regional Development of 1998 establishes the institutional framework, principles, purposes, jurisdiction and specific instruments necessary for regional development. At the regional level, the Regional Development Board (RDB) is comprised of the presidents of county councils and representatives of local town councils for the duration of their mandates and every development regions have a Regional Development Agency (RDA).

Decentralisation Facts

Sub-indices	Weight in %	Romania	European average	Difference	Rank
Administrative	12	37	47	-10	15
Functional	25	43	39	4	11
- thereof decision making	16.8	30	33	-3	15
- thereof implementing	6.3	90	66	24	2
- thereof territorial (not indicated)	1.9	-	-	-	-
Political	20	54	49	5	11
Vertical	3	36	43	-7	18
Financial	40	40	47	-7	21
- thereof qualitative	15	52	47	5	8
- thereof quantitative	25	30	46	-16	23
Decentralisation Index	Σ100	43	45	-2	14

Romania achieves a score of 43 in the Decentralisation Index which corresponds to rank 14. High values (rank 11 in both sub-indices) are achieved in Political (54) and Functional Decentralisation (43). In the case of Political Decentralisation two factors speak for the high value: Firstly, the parliament consists of two chambers. Romania is one of the three former socialist countries with a bicameral system. Secondly, the regional parliaments, elected by people's direct vote, with legislative and executive power. However, the score in Political Decentralisation must be qualified in respect of the limited possibilities of the regions to influence national policy: Neither can they block national legislation nor intervene when the national tier is not acting in accordance with the constitution. In Romania the relation between implementing power and Financial Decentralisation is special: Although the regions have an extremely high degree of implementing authority (90, rank 2) there is a lack of financial resources. In Financial Decentralisation Romania achieves a score of only 40 (rank 21).



3. Institutional Organization

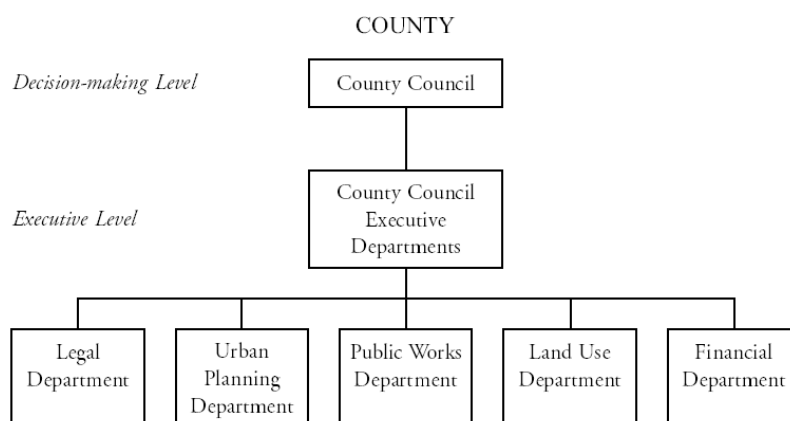
The major transformations that took place in the 1990s include a fundamental reformation of the nature of authority, the adoption of a democratic constitution.

The county council is the deliberative body at the county level (as in the Law on Local Public Administration 215/2001, republished with the ulterior modifications and completions). The number of councilors is established by order of the prefect; depending on the population of the county, it varies from thirty-seven to forty-five. The president, vice-president and the five- to seven-member permanent delegation of the county council are elected by and from among the council's membership. The president and the vice-president of a county council have executive powers to implement council decisions and are president and vice-president of its permanent delegation.

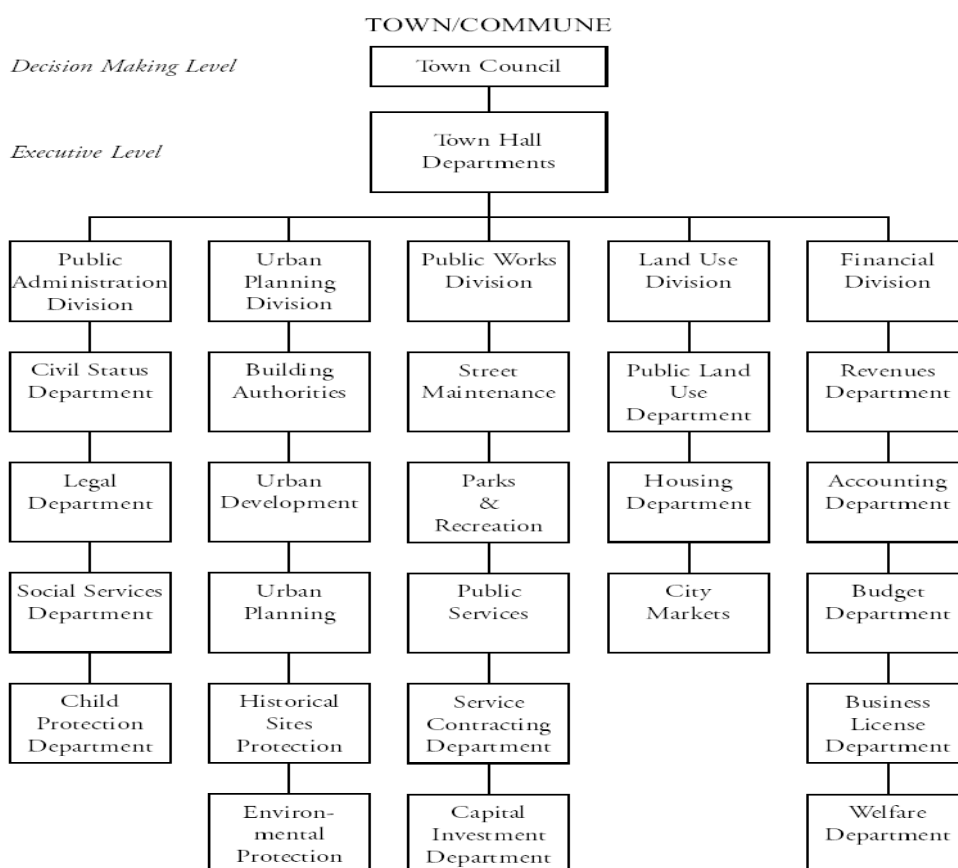
The functioning of the permanent delegation is elaborated by the council statutes. The secretary of the county is also the secretary of the permanent delegation. The prefect or his or her representative may participate in permanent delegation sessions.

The president of the county council, as the head of county public administration, is responsible for the functioning of the administration and represents the county in its relations with the natural or legal persons of the country and abroad as well as in court. Internal statutes regulate the number of votes required to pass a council decision, according to the importance of the issue.

Typical Local Administration Structure in Romania



Typical Local Administration Structure in Romania



4. Competences

The county council exercises the following powers:

- to coordinate the activity of the local councils, with a view to providing public services of county interest;
- to organize and manage county public services and to approve their standing orders;
- to analyze economic and environmental protection proposals made by communes and towns;
- to adopt programs for the socio economic development of the county and supervise their implementation;
- to adopt the county budget and the final closing accounts;
- to establish general guidelines for town and county planning;

- to manage the public and private domains of the county;
- to ensure the construction, maintenance and modernization of county and intercounty roads;
- to elect a president, vice-president and permanent delegation from the members of the county council;
- to adopt the council's statutes;
- to approve regulations governing the staffing of county public services, including the number of employees and the related organizational chart;
- to establish county taxes and rates;
- to decide upon the establishment of institutions and economic agents of county interest, the concession and the leasing of county public services;
- to appoint and dismiss councils of authorized representatives of economic agents to manage assets of county interest and to supervise the activities of these councils by analyzing their quarterly reports;
- to institute guidelines for self-managed public companies and trading companies;
- to set up sociocultural and sanitation institutions and ensure their functioning;
- to ensure necessary conditions for the conduct of scientific, cultural, artistic, sport and youth activities;

The president exercises the following rights and duties:

- to preside over the county council sessions and permanent delegation sessions;
- to ensure the execution of county council decisions;
- to support the activity of institutions and self-managed public companies of county interest;
- to exercise the powers that are incumbent on the county as a legal person;
- to fulfill the office of chief accountant of credits;
- to draw up a draft county budget and the final closing account and submit them for approval to the council;
- to appoint the personnel of the county public administration;
- to submit reports to the council annually or as necessary on state and administrative activity and the social and economic status of the county.

The president issues depositions that become executory after being announced to the persons concerned.

Each county also has an administrative commission, which includes the prefect as chair, the president of the county council and the mayor of the county's capital city. The county administrative commission draws up an annual program of the main projects and activities in the county and communicates the plan to the deconcentrated public services as well as to the local and county public administration authorities. The commission is summoned quarterly or whenever necessary by the prefect or the president of the county council. Debates may be attended by all mayors within the jurisdiction of the county, as well as by other persons whose presence is deemed necessary. The administrative commission supports public services of the ministries and the county public administration.

5. Financing

According to Romanian legislation, counties, municipalities, towns and communes are legal entities that may own and dispose of public and private property and have full authority and responsibility in all matters related to the administration of local public interests within their established territorial units. In order to ensure local autonomy, public authorities of communes, towns and counties determine and approve revenue and expenditure budgets and are entitled to institute and collect local duties and taxes.

6. The State and the regions

Public administration in Romania consists of central and local administrations. The central administration oversees activities of national interest and is comprised of the government, ministries, central authorities subordinate to the government or ministries, central autonomous bodies and deconcentrated territorial bodies (the prefect and the specialized deconcentrated services of the ministries, usually at the county level). Local administrations conduct matters of local importance within the administrative territorial units and are comprised of the county council, the mayor and the local council.

7. The regions and local authorities

The county councils consult and maintain contacts with local authorities continually.

8. The regions and international relations

County and local authorities are able to enter into international cooperation agreements with the approval of the Foreign Affairs Ministry and by informing the Ministry of Interior and Administration Reform.

9. Conclusions

Negotiations on reforming the current administrative system started in June 2011, the issue was, however put off to be re-discussed only after the double (local and parliamentary) elections in autumn 2012. The overall objective of the reform is to decrease bureaucracy, make self-governments more efficient and increase the absorption rates of EU funds.

Rather, than the transfer of competences from central to regional level, the main point of the debate is how to reorganize the present territorial division by redrawing the borders of administrative units. According to one of the most popular proposals the present eight development regions created in 1998 should be transformed into eight mega-counties. According to other proposals counties should be united into larger administrative units rather on base of the historical regions, maybe even considering ethnic factors. Not all agree, however on the abolishment of the current county structures, some would supplement it with an intermediary administrative level that would be placed between the central and county level. There is, however a relative consensus that the number of the regions to be established should range between eight and fourteen.

Regardless of the final version of the reform package, a number of laws will need to be amended: The law 215/2001 on local administration, the law on administrative-territorial units dating from 1968, the law 500/2002 regarding local public finances, etc. Unless the new administrative regions will keep the name "judet" (county), the Constitution will also need to be amended, as it currently stipulates that Romania is divided into counties.

Updated as of 16.11.2012

Interview with Ion DUMITREL

President of Alba Iulia County



1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Ion Dumitrel: The Romanian law offers large competences to the President of a County Council, transforming this institution in one of the most important institutions at the regional level. A major change occurred in 2008, when the president was, for the first time, elected by the citizens, on the basis of a universal vote, directly expressed. This fact makes this institution stronger and guarantees its representativity and legitimacy.

Enumerating all my competences stipulated by the law would require a lot of space, so I will mention only the most important. I think that these arise from the establishment and practical application of development policies, at a county level, and those concerning the budgetary mechanism and its formation, functions and use, also at a county level.

As for the transfer of powers from the central government to the regions (counties), Romania has come a long way and made huge steps since 1989, passing from excessive centralization towards a model, a pattern closer to the citizens.

Unfortunately, there are many things that have to be done, and the regions' power is not so strong or important. I could even say that we do not yet have in Romania, real and proper decentralization, mainly because of financial dependency on the central power. Furthermore, this was one of the issues that characterized the decentralization on the Romanian style: the transfer of competences from the central level to the county level, but without the transfer of the necessary money that is still at the central level, in the hands of the central power.

From the experience as an AER member, getting in touch with diverse types of organizational cultures and administrative models from all over Europe, and especially from observing the decentralization model from the states of "old Europe", I am quite sure that efficient decentralization and the transfer of powers towards regions is the only successful model that can offer solutions, including solutions for problems such as the economic crisis.

I think that it is our duty, as AER members, to still militate for preserving and developing the idea of a regional administration because the experience that I have gained in the last years, via the AER, is conclusive proof of this fact for me

2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Ion Dumitrel: The most important role should be played by the regions in this process of constructing the European Union. We, those from regional level, are asked to implement the EU's policies, and we are directly in touch with the problems and can observe the effects of different laws and regulations. This is why I think that Europe should be, firstly, ours; it should belong to the regions, and our voice should be, more and more, heard at the level of the European Union. Identity is always a question of membership. People identify themselves, firstly, by elements that are close to them – such as their birth place or the school where they learned the alphabet – elements that always belong to the regional plan. Then, as we grown up, we can all be defined as belonging to a certain nation or as Europeans.

The richness of traditions and cultural customs – the essence of the European charm – is found at the regional level, within the regions, and the links between regions are those that give value to the

cultural richness. They do not have an intrinsic value by themselves, but they become valuable by comparing them with other traditions from other regions.

This is why, if we want a solid European identity, I think it is important to let regions contribute to this identity, by building it up from elements that characterize the individuals who form Europe.

3) AER: What is the added value of being a member of AER according to your experience?

Ion DumitreI: It is difficult to quantify, in a few words, the benefits and the added value of being a member of an organization that gathers together more than 270 regions from 33 countries. However, I think that this is also the main benefit: to be a part of this large Assembly where each region can find a partner and solutions to its problems.

For Alba County, being a member of the AER means opening a door towards partnerships and people that otherwise could not be developed, discovered or known. It means a huge amount of cooperation possibilities and allows us to discover solutions to the most diverse problems, and finally, has brought a change to our way of administrating and solving citizens' problems.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Ion DumitreI: Best wishes to the AER, to its leading team and, especially to Mr. Klaus Klipp, a person totally dedicated to this organization, who devotes all his energy to serving this Assembly and is a visionary who understood, many years ago, what the role of the regions should be.

I wish, from the bottom of my heart, that the AER develops further and becomes an instrumental voice in the process of making decision at the European level.

With regards to the regions' role for the next 25 years, I can only say that: everything depends on them!

COUNTRY	ROMANIA
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The region: definition and context	There are no administrative regions in Romania yet. The country is divided into counties, towns and communes, the boundaries of which are established by law. A county consists of a capital, several additional municipalities and all towns and communes within that county's territorial limits. Certain towns are classified as municipalities. As of 1998, Romania was divided into 42 counties (including the municipality of Bucharest, 1 which has county status).
Institutional Organization	The county council is the deliberative body at the county level. The president, vice-president and the five- to seven-member permanent delegation of the county council are elected by and from among the council's membership. The president and the vice-president of a county council have executive powers to implement council decisions and are president and vice-president of its permanent delegation.
Competences	The competences of counties are: budget, ecology, country planning, socio-economic development, taxes, roads culture etc.
Financing	In order to ensure local autonomy, public authorities of communes, towns and counties determine and approve revenue and expenditure budgets and are entitled to institute and collect local duties and taxes.
The State and the regions	Public administration in Romania consists of central and local administrations. The central administration oversees activities of national interest and is comprised of the government, ministries, central authorities subordinate to the government or ministries, central autonomous bodies and deconcentrated territorial bodies.
The regions and local authorities	The county councils consult and maintain contacts with local authorities continually.
The region and international relations	County and local authorities are able to enter into international co-operation agreements with the approval of the Foreign Affairs Ministry and by informing the Ministry of Interior and Administration Reform.