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# North-Western Region of Development

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## General Presentation of the North-Western Region of Development

The area is situated in the NV of Romania and it borders on Hungary in the W part, Ukraine in N the Central SW Region of Development in S and NE Region of Development in East.

The NW Region of Development includes 6 counties: Bihor, Bistriţa-Năsăud, Cluj, Maramureş, Satu Mare, Sălaj. Its surface is of 34 159 km<sup>2</sup> representing 14.32 % from the surface of the country.

The area's typical feature is the great variety of forms of relief; the natural environment presenting its self as an amphitheatre which descends from E to W.

The mountain from the N-E part of the region are prolonged towards the Southern and W part with another chain of mountains spread at the contact of Cluj, Bihor and Sălaj and including Apuseni mountains. The geographic surrounding which represents the fields includes the Western Field which belongs to Bihor and Satu Mare counties.

The central part of the region is represented by the hilly area which overlaps the Someş Plateau and the Transilvanian field crossed over (traversed) by the Someş River.

Due to its geographic position the climate reveals the distribution of the relief, the region having a continental climate with hot summers, cold winters and abundant rainfall and with little difference between the mountainous, field and hilly areas.

The hydrographic network of the region is dominated by the hydrographic basins of Someş, Tisa and Criş.

The form of the relief determines a certain radiant character to the hydrographic network. The longest river in the region is Someş which passes through 4 counties. Taking into consideration that 30.6 % of the region is covered by forest, a very important resource is represented by spruce fir, beech tree and pine from the mountainous region. To this is added the oak wood from plateaus and hilly areas. The volume of wood which is explored from this region places the region on the 4<sup>th</sup> spot in what the production is concerned. It is also worth mentioning the energetic resources of Someş, Arieş and Criş. The natural resources which are encountered of this region represent an important premise for its economic development.

## Demographic Aspects

2 845 783 inhabitants live on the territory on the North-Western Area and therefore representing 12.6 % of the population of the country. The average density is 83.3 inhab/km<sup>2</sup>. Most of the population lives in the urban areas (52.6 % in the urban areas and 47.4 % in the rural regions).

## Economic Aspects

After 1990, the mass consumption in Romania outran the resources and the income didn't covariate with the production.

## SURD, CĂLIN and PUIU

This aspect was obvious in the NW Region of Development.

The low level of gross product /inhabitant is prevalently associated with the proportion of the rural environment which in the NW Region of Development is higher than the other regions of the country. Most of the population from this Region works especially in agriculture and in this domain the level of production is lower.

In 1988 in the NW Region of Development the gross income /inhabitant was 5 442 \$/inhabitant (lower than the one characteristic for the country and which is 6 134 \$/inhabitant).

Cluj County is on the second spot in what the gross income is concerned. On the other hand Satu Mare and Bistrița-Năsăud are positioned among the last 10 counties.

A notable increase was deducted in the structure of gross income an increase which was realised by the industry and at the same time a deficiency was recorded in what the agriculture is concerned. But still agriculture has an important role in the structure of gross income. Inflation as a negative factor was in 1999 of 40.7 %. The constantly high instalment of inflation through the real positive interest and associated with the severe depreciation of the national currency.

The growth of fiscality led to the instability and depreciation of the business environment. The level of alphabetization of the population at a national level is 97.1 %, illiteracy being therefore almost completely eliminated for the population (that reached the age of 50 years old) up to the age of 50 years old. In conclusion the level of *literacy* in the region is 97.3 % higher, than the national one.

The interest to include in educational systems on different levels in the Region is with 64.3 % higher than the national one with 63.9 %. This value varies among Bistrița-Năsăud county (55.8 %) and Cluj county where over 77.4 % of the population that have the proper age for schooling is involved in the process of learning.

There are two counties where the level of education is under 56 % (Satu Mare, Bistrița-Năsăud). The expectation of life at a national level is up to the age of 69,2 respectively 70,6 for the urban environment and 68,7 for the rural one. The differences between the counties are little going from 67,6 to 70,5 years. There is only one region where there is an exception: Satu Mare county where the life expectation is the lowest( 66,7 years).

### Employed Population

At the end of 1998 the active population was of 1205,6 thousands persons representing 13.6 % of the active population of the country. The active population represents 42 % of the total population of the region. As compared to 1998 in 2000 the active population registered a decrease with 11 600 persons. The structure of the active population from NW Region of Development, regarding the domain of activity, is presented as follows.

### The Structure of Active Population by Economic Sectors

The structure of active population is directly influenced by the evolution of the main domains of activity. Therefore the tendency of deindustrialization which aims at the industrial colossus not profitable and bankrupt, determined involuntary a process of reagraration.

This process is due to the diminished capacity to create new jobs-except the domain of services - for the unemployed population. The average density of the population varies between very wide limits of this region: Cluj county has an average density of 108.5 inhabitants /km<sup>2</sup> way overpassing Bistrița-Năsăud county which has an average density of 60.9 inhabitants/km<sup>2</sup> or Sălaj county with 66.8 inhabitants/km<sup>2</sup>.

Between 1992-1999 the population of the NW Region of development went down with 59 769

## **North-Western Region of Development**

inhabitants.

The demographic waning of the population is due to the decrease of fertility, the increase of mortality and of emigration in more developed countries.

The infant mortality in the NW Region of Development is 19.7 % in 1991 with 2,1% lower than in 1997. The highest rate was registered in Bihor county (32.3 %).

The expectation of life in NW Region of Development was 68.3 years (in 1995-1997), 9 years lower than the one in European Union. Between 1997 -1999 this was 67.7 years.

The structure of population from this Region in what the age is concerned, is 19.2 % persons under 15 years of age and 13.4 % of the population over 65 years.

Out of the 35 towns only Cluj-Napoca (332 941 citizens) is a big town, the other being medium size or small . Only 3 of them (Oradea, Baia Mare, Satu Mare) have more than 100 000 inhabitants and together with Cluj-Napoca they summarize 55.36 % of the total urban population of the Region. All of them have good access to roads and railroads.

### **The Mass Consumption and Incomes**

The Gross Domestic Product of the NW Region of Development includes over 29.1% expenses for self consumption. Due to the economic decline, the policy of economic reshape and also because of the inflation, the real incomes of the farm stead have diminished. At the same time a real decline of all the constitutive of the incomes was encountered. The strongest decline was registered in what the wage incomes is concerned and also regarding the number of employees that are included in farm steads.

In the case of drastic income decrease, their structure includes less wage incomes (under 49 %) and a rather high proportion of the consumption from personal resources - over 30 %.

The agriculture is characterised mainly by activities that ensure only the sustenance and the latter is only a proof of economical underdevelopment. The low incomes from agriculture led to a high degree of poverty in the rural environment.

The structure of the mass consumption reported to the farm stead in Romania is considered typically for an economy of subsistence: 62 % of the total expenses for consumption of a farm stead were allotted in 1997 for food and beverages - as compared to 17.5 % which was registered in European Union-15.

The income obtained from wages and retired pays was in 1997 in Romania and NW Region of Development approximately 52 % of the total incomes of a farm stead as compared to 70 %-80 % which was in the European Union 15.

The amount of money allotted for the social protection are lower in Romania than in the European Union 15 (4 629 \$ in Romania and 15 396 \$ in the European Union15). The expenses for social protection in European Union was 25.4 % of the gross income while in Romania and NW Region of Development was in 1997 below 10 % of the gross income (The National Report for Human Development 1999).

### **Sectorial Social Economical Analysis**

#### **Economical Analysis**

The structure and distribution of the main economical activities throughout the Region were determined by the variety of the natural resources, geographic position and by the existent tradition in the processing of these resources.

The economical development of the Region was due to the natural resources and the favorable geographic position-having roads and railroads, important resources of highly qualified labour force, highly qualified centres and powerful centres for learning (Cluj-Napoca) and scientific research.

## **SURD, CĂLIN and PUIU**

Still there are differences between the six counties. The counties from the Southern and Western part are more industrialised. In the economy of the Region mostly important are the industrial activities followed by the agro-forestry and services.

Throughout the Region, the economical potential is concentrated in a small number of economic agents. The information existent at the Register's Offices of Commerce on the 31 of October 2000 indicate the following structure of the active economic agents from the juridical point of view:

### **The Structure of the Active Economical Agents**

It must be underlined that the disparities are not equally done in the distribution of the economic agents in the counties. Considering Cluj as being the first place in the region and the second place to national level regarding the number of active companies, Sălaj takes the last place nationally and inside the Region too.

After the announcing of the detrimental Regions (april 1999), Maramures county takes the first place, registering an important growth of the economical agents almost equalizing Bihor county although throughout previous years there were notable differences between the 2 counties.

Although small and big companies (over 250 employees) have less importance in what the number is concerned (below 1% of the total active companies), their importance in the business figure is high. regarding the sources the capital resources of the economical agents, 98.8 % is represented by the private one, 0.3 % by the state and 0.9% by the commercial companies with mixed capital.

As forms of property, in the case of those with private capital, most of them are S.R.L., S.N.C. and Co-Operative Organizations and only partially S.A. Lately, a growth was registered in the number of Independent Activities and Family Associations. This situation explains, mostly, the high prices which are implied by the foundation of a commercial society.

### **The Investments**

Foreign investments were less interested in this part of the country. Nationally, it can be observed that most of the investments are concentrated around Bucharest and The Western Region.

Although the number of the companies with foreign capital are rather numerous, the NW Region of Development is on the 3<sup>th</sup> place concerning the number of companies (7 782 companies with foreign contribution on 31 of October 2000), and the size of the capital investment is rather moderate. Therefore the region is only on the 5<sup>th</sup> place with 377 659 000 \$. This represents 7.6 % of the total value of the social capital subscribed in Romania in December 1989- October, 31st, 2000.

The main investors-in relation with the size of the invested capital - are from the countries of The European Union: Germany, Sweden, Luxembourg, Italy, Great Britain, Austria and Canada, U.S.A.

The Foreign Investments aimed mostly the small and medium companies and less the big and very big companies.

Of all the foreign branches founded in Romania between 1990-1999, only 8 are situated in the NW Region. Their distribution being as follows: 3 in Bihor, 2 in Cluj, 2 in Satu Mare, one in Maramureş (the source: Romanian Center for External Trade - The Branches of foreign companies in Romania).

### **The Volume and The Structure of Export**

There are 5 000 exporting companies, with a value of export over 1 billion Euro. The most important markets aimed by the companies from the NW Region regarding the export are the countries of the European Union and C.E.F.T.A.

## North-Western Region of Development

The main branches of export are:

- wood industry (wood, elementary products of wood, small furniture, furniture);
- industry (ready-made clothes, fabrics, footwear, leather goods, plastic products) representing 40 %-50 %;
- industry of engineering (machine - tools, equipments, ready-made metals) with approximately 5 %;
- other metal articles (wire, nails, scrap iron) fruits, salt.

### The Volume and the Structure of Imports

The markets of importation are of 2 categories:

- Ukraine, Russian Federation, C.E.F.T.A.-for raw materials;
- European Union and C.E.F.T.A.-for finite and semifinite objects and products

The structure of imports are presented as follows:

- raw materials for chemical industry, pharmaceutical, engineering, food production, agriculture -approximately 40 %;
- construction materials - up to 10 %;
- fabrics, accessories for the processing and incorporation in ready-made clothes, approximately 25 %;
- other merchandise: machine tools, motor vehicles, electronics, food products.

### Services

The reexamination of services, as an important economical center, situated in the centre, the concerns of the policy for economical development, is a vital condition for Romania, in its option to integrate in the international economy structures and waves.

The reconsideration of the role of services in the economical development of the country implies the alignment of the qualitative and structurale characteristics of services which Romania can offer, at the demands of the internal consumers and external partners.

The commercial external services totalize a great variety of activities:

- transportation;
- turism, including the transportation of the labour force abroad;
- profesional services in the banking domaine, the ensurance domaine, book-keeping, juridical and other services;

The internal commercial services, according to the methodology practiced in the countries of the European Union, are divided in the following categories:

- commercial services in the benefit of the population;
- commercial services performed for the economical operators-transportation services, mail, telecommunications.

During 1993-1996 the highest rate inside this services belonged to the groups of hotels and restaurants, entertaining services, cultural and sportive ones (over 65 %).

The companies with private capital have the highest rate in the srvcies performed for the population, this evolving and reaching in 1996 up to 59.8 %

In the NW Region of Development the services for the formation of the gross income represented 10.5 % of the total value.

The groups that have the highest rate inside the commercial services performed for the economical agents are: the real estate tranzactions with 36 % of the services, architectural sevices, engineering and other tehcnical services with 18.3 % (in 1996).

### Touristic Services

The natural turistic potential manifests through all its components and it is related especially with the mountain range relief which determines variety in the display of its components. This also leads to a climatic variety, hydrographic and landscape variety.

What stands out is the ice mountain relief (Rodna mountains) volcanic neogen relief (Oaş, Gutâi, Țibleș mountains) and mosaic relief from Apuseni.

The mineral resources are from the watering and turistic point of view are one of the most important components of the turistic offer in the natural environment. In the eastern part of Maramureș, the mineral waters are situated in Borșa and on the tributaries of Vișeu. In Bistrița-Năsăud county a very important mineral deposit was created, belonging to Sângerz-Băi, Șanț, Maieru, Rodna. At the same time a watering place was developed at Hebe.

Except the ice lakes from Rodna mountains, the storage lakes (Firiza, Bodi) and dam lakes become touristic Regions in the conterminous region which determined the appearance of touristic hospital (Beliș, Fântanele-Cluj county) or of some organized arrangements of small dimensions (Leșu lake- Bihor county, Colibița lake - Bistrița-Năsăud, Călinești-Oaș lake - Satu Mare county).

The anthropic touristic potential completes the natural one, and the adjusted arrangements would lead to different types of tourism and the polarization of a touristic circulation. The NW Region of Romania owns a very rich and complex cultural patrimony, whose historical tradition is proved by the numerous archeological vestiges discovered in this area, by the historical monuments, architectural and plastic art. To all these is added the diversity of habits, traditions and ethnographic activities.

In the last decade there are two tendencies that influence one another. With the continuous decline of the social economic life, there is a degradation of the tourism demands, which contributes to the lessening, up to disappearance, of investments for modernizing and creation of new buildings.

Although there is an attractive touristic potential the NW Region of Development registered year by year a lower rate of the use for the capacity in function -28.6 % in 1998 all around the country.

The level of occupancy in the units of touristic accommodations goes down even if the number of units for hospitality is constantly growing, the number of foreign tourists is less every year and the Romanian tourists go abroad.

### Agriculture

The natural conditions of the region offer the possibility for the development of a complex agriculture that represents the second branch of importance. At the same time it participates to the realization of the gross product. The diverse relief allowed the development of an agriculture with activities typical for the mountain, hilly and field regions.

In the mountainous areas was developed the breeding of bovines and sheep, in the hilly regions the viticulture and fruit growing which has an important place; in the depressionary areas and river meadows the production of vegetables developed.

In 1997 agriculture was the main branch in the occupation of the population from the economical point of view, but in 1998 this went down with 2 % respectively 49 %. The agriculture got this position mainly because of the process of lessening (especially between 1992-1998) of the population working in industry and constructions due to the growth of the population working in agriculture. In Satu Mare, Maramureș and Bistrița-Năsăud the population working in agriculture and forestry represent 40 %.

In the rural environment, the agriculture represents the main activity, being the only branch of the Romanian economy in which most of the people are old. From the total population working in agriculture (502.2 thousands people) almost half of them were in 1998 over 50 years and about 1/5 over 65 years. Only 27 % of the population from the agriculture domain was under 35 years.

## North-Western Region of Development

Most of the population from the rural environment (almost 60 %) are limited in what the primary and secondary school is concerned, or they didn't go to school at all.

Most of the cultivate fields are private property 91.2 % and it is characterised by a high degree of crumbing.

The surface suited for the agricultural activities is 2 075 396 thousands ha., from which 1 485 592 thousands ha., is private sector (71.6 %) representing 14 % of the total agriculture surface. The average production/ha. are lower than the ones in the other countries.

Although the machines from the private sector encountered a growth as compared to 1990, the mechanisation of the private section is still low. Presently, in Romania, the level of technical endowment is still low. Agriculture encounters difficulties in the mechanisation of the technological process, because of the structure of the internal offer for agricultural machines, which is not suited to the size of the farmsteads. These difficulties are due to the financial one too (related to the price of the agricultural machines and the low possibility to acquire them).

In 1997, the no. of agricultural companies were 1 with 0-9 employees and 16 % with 10-49 employees.

The associative behaviour of the owners from our country is determined by the low level of technical endowments from the private farmsteads, by the low level of work because of the ageing of the owners of the land, their precarious health and the lack of managerial abilities.

All the structural and technical aspects mentioned above offer for the Romanian agriculture an extensive character, of sustenance. The efficiencies are two or three times lower than in the developed countries, even if they are close to the ones obtained by the neighbouring countries.

The rural space of Romania represents 89 % of the total surface of the country and has 45 % of the population. In the NW Region 47.3 % of the population lives in rural environment.

The rural from the region owns most of the economical resources: raw materials for light industry, agrarian resources, forestry, touristic and watering industry.

The rural environment is characterised by a high level of undevelopment as compared to the urban environment and to the other rural environments of the other countries.

The main problems of the rural space are due to physical and geographical matters, demographic, economical and also to the technical endowments of the social and physical infrastructure. To this the quality of the factors of the environment.

Certain Regions from Apuseni (Măguri Răcățău, Râșca-Cluj county and from Maramureș) are under pressure from the risk factors such as flooding and glindigs with tendency to cave in.

The region has relatively good agriculture potential. This can be observe in the procent that the region has in the regional gross product (23.5 % in 1996). The growth of this procent (from 21.9 % in 1993) is explainable trough the strong decline of other branches and not because of the growth of the agricultural production.

83.4% of the central of tractors from the region is private but many small farmsteads work in a rudimentary way using animal drive or paing for the mecanicals services.

The average income of a farmer's family in 1999 was 2 141 215 lei representing 73.6 % as compared to 1995 and lower than the other incomes from other branches.

The agriculture, nationaly and regionaly is characterised by a dual structure of exploitations: a low no of big farmsteads (state farms agricultural associations and commercial farms) and a very high no of small steads, with an excesive crumbing of the lotes. The individuals farms represent the basic structure of traditional agriculture.

Nationaly the rural of the region has in some of the counties a high degree of demographic ageing. This can be observe in the villages from Someș plateau.

The landscape from the region and the services that the farmsteads from the region can offer led to a certain shape of agro-tourisme. There are agencies which took over the managerial section regarding booking esurance services and tax payments.

## The Environment and its Factors

## **SURD, CĂLIN and PUIU**

Neglecting the protection of the environment determines damages not only for the environment but also for the health of the population. The expenses generated by the superficial concern for this matter will have to be supported by the whole society that is threatened by the ecological danger.

The necessity to adopt a strategy that should guide the policies of environment destined for lasting development of our region doesn't have to be demonstrated. But is mandatory to know the real state of health of the environment and therefore of the population. In this manner, it is necessary to evaluate the quality of the factors of environment from the point of view of the natural resources that exist in the region. The evaluation of the quality of the factors of environment implies, unfortunately, a high degree of approximation because there isn't a system of surveillance.

In conclusion it is necessary to structure in a more modern way the network for the surveillance of the factors of environment.

### **The Quality of Air**

The problems analysed during the last years inside the labs of the territorial Agencies for the protection of the environment, prove the constant lessening general index of pollution. The quality of the air was damaged mainly by the activities from the industrial sector (Baia Mare, Oradea, industrial Region from Cluj-Napoca, Dej, Bistrița, Satu Mare, Zalău) traffic (indicators: CO<sub>2</sub>, N, CO<sub>2</sub>, SO<sub>3</sub>, Ozone all analysed along the main roads registered a growth which can be observed mainly in Cluj-Napoca, Oradea, Baia Mare) and the decomposition of the organic substance from the platform region use to deposit the offal.

At the same time, after the measurement, it was noticed that there are high concentration of heavy metals throughout the towns Baia Mare, Turda, Bistrița.

In 1999 the surveillance stations of the rain falls pointed out the results of the measurement. The latter proved the existence of acid rain in Zalău, Șimleul Silvaniei, Oradea, Baia Mare.

### **The Quality of Water**

The factors which lead to the pollution of the water from the region can be grouped as follows: demographic (the pollution being proportional with the density of population) and economical (related to the main economical branches especially industry).

The evaluation of the quality of the water, based on the processing of the basic data at the level at the entire region, confirms the quality of these with tendencies of improvement.

Still, there are some regions that are critical from the point of view of the pollution of the surface water: Săsar river, Cîsla and Firiza around the mine exploitation closely to Barcău river (polluted with oil products) Someșul Mic river (polluted with substances coming from S.C. Terapia and domestic used waters directly evicted as a result of the low capacity of the cleaning station of Cluj-Napoca) Someșul Mare, Arieșul, Turul (polluted with mine water) Bistrița river (because of the cleaning station with an insufficient capacity for cleaning) Crasna river and Crișu river.

The quality of the underground water is affected in certain flooded region where there are some overpasses of the concentration for the bacterial indicators due to the floods and also because of the periodical bad cleaning of the private wells in most of the rural regions.

### **The Quality of the Soil**

In order to discover the level of overcharge of the soil with polluted factors some aspects were analysed: chemical pollution (Baia Mare, Săsar, Firiza, Baia Borșa, Sighetul Marmăției), oil pollution (characteristic for the Regions with activities for exploitation of deposits of petroleum), the damage of the land through deposit of offals (in most of the cases there are not properly place and don't have arrangements that should ensure safety in exploitation).

## **North-Western Region of Development**

Among the activities that might affect negatively the soil are the ones in agriculture.

The surface and underground erosion, the glidings and the excess of humidity affect important regions.

Water-soil pollution, especially in the mining regions, by the evacuation of main water which is not clean and by not making air tight of the ponds is present all through the region.

### **The Noise**

The problems regarding the sonorous pollution from the NW Region are incorporated between the same general coordinates. The sonorous pollution is more powerful in the big cities along side the main roads. The overpasses of the admitted limits were registered in the counties and other cities situated near the airports and the main junctions.

### **The Quality of the Forests and the Protected Regions**

The forests from this region are weakly or moderately affected, the condition of the species being partly good. Due to the clearing below the limit of age of the generation and because of the massive tree cutting, gliding and powerful erosion appeared. Mainly these phenomena appear in Satu Mare and Bistrița-Năsăud county. This situation can be remedied through gradual afforestation.

### **The Strategy for the Development of the NW Region**

After the events from 1998 Romania began the way to transition for the market economy, having a lot of economical, social and political obstacles.

In 1991 when the Frame Agreement was signed by the European Committee and Romania, our country stated openly and determined its option to adhere to the structure of the European Union. To achieve this desideratum it was necessary the creation of a reform at the global level. This reform proved to generate high economic and social prices.

Nowadays, Romania is going through a prolonged economic crisis due to the weak economic performance of the state which still owns the majority and to the lack of the favorable environment for the private sector. To these, the geo-political situation in the Eastern Europe can be added.

The concept of development for the NW Region aims a strategic concentration of the activities for progress. The strategy for progress is concerned to obtain socio-economical results in accordance with the development of the existent potentials of the region.

It was considered to be necessary to continue the measures for those potentials of development from which side effects can occur in limited time. The existent resources were taken in consideration and also these means of use and the domains in which special measures of regional competence can be taken.

The objectives proposed to be realized through applying the strategic measures of development are formulated under an hierarchical system. They represent the achievement of the strategic objective: the consolidation of the social and economical stability and ensurance of the economic growth in a European context.

### **The Objectives and Priorities for the Development of the NW Region**

#### **The Objectives**

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The improvement of the quality of life and the long-lasting social and economic development of the region in a European context:

- The creation of a favourable business environment for the development of a diverse economy and for the growth of activities in the region.
- The promotion of a lasting development in the rural environment.
- The support for the progress and efficient use of human resources.

### The Priorities

- The development of the infrastructure used to support the private sector.
- The promotion and development of the physical infrastructure in the rural environment.
- The change of the contractor spirit and of the local initiative in the service sector.
- The support of the economic activities based on local resources.
- The support of the reshaping of the non-profitable industries.
- The promotion and stimulation of the economic cooperation and technological transfer.
- The rehabilitation and development of the physical infrastructure which is a support for the new industries.
- The growth of the quality and of the competitiveness for products and services.
- The creation of a favorable environment for the best use of the local resources.
- The growth of the standard of life in rural communities through a higher access to goods and services.
- The rehabilitation, protection and maintenance of the quality of the environmental factors.
- The improvement of the management of economic companies and in public administration.
- The support of the qualification/re-qualification process, orientation/reorientation of the labour force.
- The stimulation of the implication of hesitating factors in programmes unemployed and detrimental categories.

To create a favourable business environment for the development of a diverse economy, special measures were promoted for the development of the consultancy and marketing services in order to support the economic agents from the private sector; the progress of the systems for the quality certification of industrial and agro-industrial products; activities for the promotion of tourism; the support of the economic exploiters; the support of programmes and activities to collect, recycle, valorify the industrial exploiters from the region; the promotion of the activities based on the use of recyclable materials non-polluted; the development of communicational/informational system at a inter-regional level; the support of the activities for the rebuilding of the abandoned places and the promotion of the "image" of the region abroad in order to create sale markets and to attract foreign capital.

To promote a lasting development in the rural environment it was taken into consideration the support of the activities for rehabilitation, modernisation and development of the infrastructure for communication and tele communication in the rural environment; the support of the activities which valorify the resources of therapeutic and thermal water from the region and of the natural and ethnographic potential from the region; the support of progress activities of some integration cycles of production/process/distribution/sale of agricultural and agro-industrial products; the promotion and support of the development of micro-farmsteads. the support of the producers' partnership in order to promote the specific products on the foreign markets and with this purpose the growth of the quality of the products to international standards; measures regarding the efficient use of water resources, including to reduce the losses in the network and an efficient control of the quality of the water; the support of the activities to prevent the risks and natural disasters from the isolated rural region; the support and development of the networks for social and medical assistance services in the detrimental regions of the rural environment; the promotion and support for modern, integrated and accessible means of transportation for the isolated rural communities.

For the development and efficient use of the human resources it was taken into consideration

## North-Western Region of Development

the following: the support and development of new activities that use available labour resources from the entire region; the support and development of systems information services, counseling for young graduates with initiative in business in order to diminish the labour force of high qualification; the promotion of a modern and pliant management in companies; the support of the programmes for the improvement of the mechanism for the function of the local and county administrations in order to enlarge the flexibility of the administrative sector; the support of the initiatives for the creation of viable programmes for profesional orientation/reorientation inside the companies which are in the process of restructuration; the promotion and development of the centres for the creation of labour force; the support to integrate on the sale market of young people and detrimental groups.

All these measures are to be applied between 2000-2001 and 2000-2002. The institution resposable for this is the Agency for the NW Regional Development in partenership with the local and county councils, with the private companies and the research institutions, the general agricultural boards, the local administrations, the Commerce Chamber, the State House.

The finance for the application of these measures are realised by the state budget from international resources, co-finances and also by trying to obtain capital from the private economic agents.

A constant preoccupation of the Agency for NW Regional Development is represented by the programmes with measures that aim the maintenance and renewal of the regional infrastructure:

- the programme for the modernization of the roads from the national network on the territory of the region (Cluj-Napoca-Zalău-Satu Mare);
- the programme to create passages for transport on the direction NS (Sighetul Marmației - Baia Mare – Hidraga – Gârdani - Cehu Silvaniei – Zalău – Crasna – Ciucea – Bucea – Bulz - Stâna de Vale – Beiuș - Corridor IV Trans European);
- the road connection with Ukraine by building the bridge over Tisa;
- the programmes to rehabilitate the roads for each county;
- the programmes to modernize the roads for a regional development;
- the programmes for the modernation of the county roads of passing from one technical class to another;
- the programmes to rehabilitate the inter-county raods;
- the road tunnel under Gutin mountin, to avoid the winding road;
- the programme to realize the connections with the isolated regions;
- the programme to create the detour belt in county residence in order to permit the accessability of the merchandise;
- the programme to rehabilitate the rail roads e they are damaged;
- the programme to modernise the airport from Satu Mare;
- the proframme to extend the runways, the platformes for embarkment/debarkment of the airport from Cluj-Napoca;
- the programme to modernise the airport from Oradea;
- the programme to introduce optic fibres in Regions that do not have phone net;
- the programme to introduce public phone with phone cards in Regions with more than 500 inhabitants;
- the programme to extend the access to internet;
- the programme to extent the network with drinkable water and the network for sewerage in the entire region;
- the programme to protect the quality of the water by extending the capacity of cleaning;
- the programme to modernise the network of methane gas from tha

## SWOT Analises

## SURD, CĂLIN and PUIU

The domain	Weak points	Strong points	Opportunities	Threats
Economy	<p>The large number of either small or big companies in the region</p> <p>The high rate of the private sector in the economy</p> <p>Almost all the branches of the economy are represented</p> <p>The recent rise of the gross product per inhabitant</p> <p>The large number of big companies with private capital and high income from export</p> <p>The existence of some regions with a lot of natural resources and raw materials</p> <p>The growth in the last period of the importance of industry and services in the business figure of the region and the lessening of the importance registered in commerce</p>	<p>The large number of small companies (0-1 employees)</p> <p>The tendency to concentrate the capital in the big cities</p> <p>The lack of High-tech industries</p> <p>The rate of foreign capital invested is lower than the average</p> <p>The weak financing of the productive sector and also the existence of some technologies that are non-performant</p> <p>The large number of companies that are in the situation of clearance starting with January, 1 2001</p> <p>The disappearance or the decline of some companies with tradition, because of inefficient management</p>	<p>The existence of facilities offered by detrimental zones</p> <p>The opening of industrial parks and of business centers</p> <p>The existence of neutral spaces that benefit utilities</p> <p>Spaces for Exhibitions</p> <p>Sustaining the creation of small companies in the regions with monoindustries</p> <p>Industrial and professional reconversion</p> <p>The development of IT and extending the informational centers</p>	<p>The existence of regions weakly developed that lead to continuous economic decrease of life style</p> <p>The lack of serious measures in order to sustain the processes of re-technologising, so as to avoid competition</p> <p>Lack of interventions in the declining sectors with monoindustry. The result could be the migration of the population from these zones</p> <p>Lack of receptivity and flexibility concerning the market demands</p>

### The Natural Factors

The diversity of physical and geographic factors:

- the existence of underground and surface water resources that can be used for irrigation;
- there are many small and medium companies with 0-1 employees (almost 1/2);
- the tendency to concentrate the capital and the economic agents in the big cities;
- the lack of industries of high technology;
- the volume of foreign capital invested is way below the national average;
- the low contribution brought to the realization of the gross product;
- the weak finance of the productive sector and at the same time the existence of a non-performant technology;
- there are many state companies which were in clearance on the 1st of January 2001 with more than 8 000 employees - the disappearance and decline of

## North-Western Region of Development

companies with tradition in certain Regions, because of the defective privatisation and uneficient management.

The natural factors there are some degradable rural regions due to the human activities:

- the natural conditions in the mountainous communes do not offer conditions;
- the existance of facilities offered by the detrimental regions;
- the setting of industrial parks and business cetres;
- the existance of un-used spaces inside the industrial platformes, spaces which get endowements;
- the setting of exositional centres;
- the support to form small and medium companies in mono-industrial regions;
- the industrial and proffesional transformation;
- the possibility to develop some services for production;
- the development of the informational infrastructure and the spread of the informational centres.

The European uniongendes some of the investments in the rural region regarding:

- the rehabilitation and expenditure of the systems for water supply, sewerage;
- the existance of some undeveloped regions inside the region which could lead to the continous economic decline and the lessening of the living standard for the entire region;
- the lack of clear measures regarding the support of retechnologisation would lead to the lessening of the competitivy of the companies;
- the lack of inteventions in the sectors wich are in decline and the lack of clear maesures to support the companies from the mono-industrial regions could lead to the migration of the population from these regions;
- the lack of responsivity and flexibility to the demands of the market;
- the illegal exploit of the forests implies putting in danger the lasting development in the region and determines the growth of the underground economy;
- the rural character still persists.

### The economic factors

- the labour force(young and available);
- the existance of some natural resources used as raw materials: wood, rocks, gravel, sand, reed;
- the natural condition favorized the diverse agricultural cultures and the breeding of all spesces of animals;
- the high no. of communes with favorable position of networks of transporation;
- many communes practice the procesing and selling of craftmanship objects;
- there is a high interes for rural tourism and there are favorable conditions for its development: attractive landscape lively traditions, churches, architectural buildings, traditional farm steads, hospitality;
- the afforested surfaces occupy a large surface on this Region, there exploit offer suplimentary incomes for the cultivation of plants, the level of diversity being vey low the economic factors;
- many of the villages are isolated from the urban centres;
- the access to informationis very difficult;
- the most farm steads centre on sustenance;
- the privatization of agriculture is realized slowly and confusely;
- the lack of capital;
- the weak tehcnical equipment;
- the local production of agriculture products is not ensured;
- the agriculture incomes are low;

## SURD, CĂLIN and PUIU

- the unemployment is high due to the pure agricultural profile - labour production is low;
- the condition of the networks and means of telecommunications is proper;
- the material state of the farm steads is bad -many of the vilages don't have water suply sewerage heating electrical energi and networks of gas;
- the level of ageing of the population is very high in most of the vilages from this region and in the isolated ones the population is drasticcleaning, and the lessening of the polution with offals;
- the deposition of some projects for the development of the infra structure;
- the creation of associations or other forms of partnership of the agricultural productors;
- the deposit of some projects inside the SAPARD program in order to create centres for the procesing of agricultural products;
- the preocupation to atract the youth and women in the economic and social life of the region;
- the stimulation to learn foreign languages widespread and of the basic knowledge about tourisme-the pure agricultural profile of many vilages, the low productivity of labour sustaines poverty;
- the financial owners,most of them old can not accommodate to the demands of the sale market;
- the prices that are in the rural tourisme overpass the financial possibilities of the local tourists -the protection of the valuable constructions from the region is neglected, in many of the rural regions the values of the patrimoni are in a bad shape of presevation;
- the lack of rural real estate;
- the cryterion for the selection of the projects that can get financial assistance include some aspects to which the inhabitants of the rural environment are not use:they do not know the interest of the community for the project; they do not understand the capcity of the project to provide incomes; the relation of patenership are missing;
- the base for cofinance in order to participate to SAPARD is missing to many farm steads tourisme;
- the touristic objectives are many and at the same time attractive and most of them are known worldwide;
- the etno-folkloric traditions are preserved in many parts of the region;
- the farm steads included in the network of the rural tourisme are increasing;
- the renovation of the touristic places became a major concern for the one that manage them;
- the watering and climating places are numerous;
- the places there are termal waters are many;
- the infrastrucure in most of the rural regions is not suited, the absence of water supply, of sewerage, electric energy, phone lines, access roads represents an impediment in the construction of new touristic endovements in the region with potential;
- the lack of regional strategy regarding the marketing and toutism;
- the services offer by the farm steads included in the rural touristic circuit are limited and of low qality;
- the resources of mineral and termal water are used way belw there potentia;
- the edno-folkloric traditions can be easily included in the touristic circuit togedre with the istorical and cultured monuments;
- the creation of the National Park Apuseni would encourage the mountain tourisme in 3 counties of the region;
- the creation of the reservation of the biosphere on Tisa and Maramureş mountainswould promovate the tourism in the north of the region;
- the privatisation of the chalets and touristic endowements followed by their renovation should be stronger;
- the economical agents can diversify the touristic services-if drastic measures measures won't be taken the chalets will be destroyed -if the prices won't go down with the growth

## North-Western Region of Development

of the touristic endowments, the transformation of the tourism in a real economic branch will be delayed -there are necessary urbanistic plans through which the wrong position of the chalets should be corrected Human Resources-there is a high level of participation to education -a high level of alfabetation - Cluj-Napoca is the 2<sup>nd</sup> cultural centre in Romania the existance of cultural centres in each county residence;

- the centres of qualification/re-qualification of the unemployed :agencies for ocupation and profesional training;
- international relation on a scentific and cultural leve (UBB Cluj-Napoca) - high level of qualification;
- the population becomes more and more perceptive to profesional specialization and recalification;
- the rate of unimploymnt is low;
- the tendency of the population to grow (Bihor, Satu Mare, Maramureş);
- the low no. of programs for retraining;
- the low no. of employees in the scientific domein;
- the lack of centres for the forcast of the labour market;
- the unsuficient information in the teritory regarding the posibilites for qualification;
- the low level of participation in the preuniversity educatinal sistem (Năsăud, Sângeorz Băi);
- the qulification of the person in the domain are not requested on labour market;
- the high no. of the population ocupied in the primary sector;
- the insuficient no. of qualified teachers in rural regions;
- the lack of active measures for the ocupation of the labour force;
- the lack of centres for the suport and developoment of the superghifted children -high rates of unimploymnts in Bistrița-Năsăud, Tâsnad, Sighetul Marmăției, Borșa;
- the rural regions are strongly affected by unimploymnt;
- the ageing population is more numerous as compared to the young one;
- the ageing population in almost all the rural regions;
- the negative output (Satu Mare, Bihor);
- the setting of the industrial park Satu Mare which will offer job positions for the available labour force -the legislative sistem which simulates the reintegration in the labour field of the graduates -spaces were allotted for the developoment of centres for training qualification and requification of the population;
- the growth of the interes for Carei, Satu Mare from foreign investors with a tendency to offer more job positions;
- the creation of the National Agency for ocupation and profesional training and of the county agencies related to it;
- the modification of the mentality of the unimploymnted; they start to have a more active attitude on the labour market and they change their profesion;
- the cretion of comunitary programms to support economical and social developoment, a domain which is very important in the developoment of human resources;
- the existance of some programms to finance the profesional retraining;
- the lack of a legislative environment that should lead to the a continuous formation of the staff or of the active labour force;
- the lack of a sistem for improvement qualification and retraining of the population, sistem that should well realised;
- the instability of the curency the fiscality, the instable legislation;
- the lack of coherente economic strategy locally and regionally on a short notice;
- the ageing of the population in certain regions can lead to the disappearance of some vilages;
- the reduction of the active population;
- the general lessening of the duration of life because of the depreciation of health and life conditions;

## **SURD, CĂLIN and PUIU**

- the migration of the youth towards the urban Regions and abroad, especially of those with high professional training which determines unwanted side effects (the depopulation of certain regions, pressure on the labour market and on the dwelling fund);
- the tendency of lessening of school figure in the regions with low accessibility or in regions where because of the lack of the trained staff or because of the degradation of school buildings the pupils have to walk long distances towards other regions.

### **The Environment**

The NW Region has diverse natural conditions natural patrimony including many valuable objectives. There is the possibility to declare the protected regions for all the values that are in danger. The region has rich resources in surface and underground water among which the thermal ones are the most numerous and also rich resources of raw materials. The surface occupied by forest is proportional as compared to the other regions. The eroded surfaces at different levels are in a continuous growth - even if the areas affected by glidings were catalogued, no proceedings for stabilisation were executed. The cutting of trees is out of control and the replantations are done on small surfaces as compared to the clear region. The places with sewerages are very few - the offalls in the cities determine a severe pollution of the air and water; in none of the cities of the region the offalls are not collected on categories, for the recycle or re-use; ecological education is inexistent or totally superficial - Romania adhered to the international conventions in the domaine; the European Union controls certain investments for the protection of the environment; the protected regions have juridical settlements at a national and county level which can be applied anywhere; the use of some agro-techniques in different regions could have positive effects on the protection of the soil; ecological education can be made outside the schools in different ways, depending on the initiative of the authorities. The erosion of the soil is spreading and will have severe consequences if serious measures won't be taken. The exploitation of forests without any control will have side effects on the lasting development of the region. The protected areas will lose valuable elements if we do not interfere with a powerful protection. The indifferent attitude towards the protection of the environment is becoming more general.

### **The Infrastructure**

The existence of 4 airports out of which 2 are at the border with Ukraine and Hungary. The available roads for the European traffic – E 58, E 60; the international connection for the transport of merchandise in Maramureş, Satu Mare, Bihor; the existence of the connection road between Ardeal and Moldova (DN17); the electrification of the places in proportion of 80 % and in Maramureş 90 %; the existence of gas pipes; the existence of the storage lake Colibiţa, which is a water source for Bistriţa county; the existence of railroad nodes; the existence in Sălaj county of a huge density of the network of roads that covers the whole Region. Groups of isolated farmsteads regarding the access to the infrastructure the lack of the belt to avoid and penetrate the county residences; the lack of the roads with 4 traffic lanes in Maramureş county; the urban infrastructure is improper at the outskirts and industrial regions; the lack of the roads and fast express roads in almost the entire region; the lack of the sewerage in in some urban centres and almost unexistent in the rural areas; the lack of the network with drinkable water in the rural environment; there is no road connection with Ukraine; the low presence of the network of methane gas and also the aging of the existent one; the unfitted technical condition of the roads especially in the rural region. Parts of the roads are affected by the floods and glidings. The lack of proper cleaning stations; the phone network and the digital one has a low percent; the length of the network of railroads is reduced and in bad condition in all the counties. The connection with the Baltic countries by finishing the bridge over Tisa. The programme to modernize the road infrastructure; the possibility to connect to the

## North-Western Region of Development

networks of gas; the detrimental regions from the NW Region of Development; the valorification of the water resources from all the region; the valorification of the resources for materials used in constructions from the region to reduce the posts from the infrastructure; the industrial parks will revitalize the business environment from the region. The degradation of the networks for water, electricity leads to depopulation, migration, ageing, isolation and the evolution of poverty. The lack of water resources in the SE part of the region leads to the degradation of the quality of life and the lessening of the agricultural production; the lessening of the capacity of transportation of the network (of water, roads, methane gas); the complete isolation of some regions regarding their access to the infrastructure leads to depopulation and economic decline of the region.

### Conclusions

The policy for regional development in Romania begins to get a certain shape, mostly due to the activities performed by the Agencies of Regional Development founded on the ground of Law 151/1998. These institutions are the ones that coordinate the entire activity for regional development, realising analyses in the regions that raise problems, and on their account establishing programmes that include measures to rectify the situation, draw the financial resources for their own programmes or approved by them, establish the priorities for the distribution of the financial resources, and at the same time draw the partnership of the communities of the local administrations and of the economic agents in order to ensure greater chances of success for the initiatives of regional development.

Certainly, there are a series of inherent difficulties, ever since they appeared, in the way of the evolution of the activities of the Agencies of Regional Development. Among these are the slow mechanism to introduce the programmes, bureaucracy, a certain political involvement, the influence of different centres of interest, and not to mention the lack of resources for financial support.

With all these taken into consideration, the activities of the Agencies, and for this case, the activity of the Agency for NW Regional Development was quite ample, including different domains of activity. So on 2000-2001 the Agency coordinates and supports 104 projects for local initiatives financed by the National Fund for Regional Development and 32 projects for local initiatives financed by PHARE; 8 projects in the domain of human resources and 10 projects financed from PHARE funds.

The projects planned to be applied in 2000-2002 aim a strategic concentration of the activities of development and of the existent potentials at a regional level.

Through the SWOT analysis we could identify the weak points and the threats but at the same time the strong points and the opportunities that the NW Region beneficiaries. On the account of this analysis some measures were proposed which are supposed to improve the weak aspects of the region and to highlight and valorify the opportunities that are offered.

So by proposing this projects the Agency for NW Regional Development has in view the following: the development of certain services to support and develop the private sector; the setting up of a development Centre for the systems that certify the quality of the products, which should introduce the characteristics of the external market and which should stimulate the competitiveness of the companies from the region; the setting up of a diverse touristic product, competitive on the external market and the support of the scientific, cultural and traditional activities from the region; the encouragement and support of the economic agents that valorify the local resources from the region and which promote these products on the external market; the improvement in efficiency of the activities that controls the quality of the factors of environment by providing the modern equipment to collect the samples; it was also taken into consideration the education and awareness of the public opinion regarding the environmental problems; the extension of the modern systems of telecommunications at the level of rural regions from the region, the improvement of the informatic equipment inside the local administrations, the development of some regional centres for education and information in the domain of the international techniques and Internet; the development of products processes research and progress, innovation and technological transfer.

## **SURD, CĂLIN and PUIU**

At the same time starting with the present situation of the rural Regions, we have to take in consideration the promotion of certain activities to restaure, modernize, and progress the infrastructure for communication and telecommunication in the rural environment. The communes that are traversed by national roads and thorough fare railroads are very few. The rural regions from the region are accessible, generally, through county and communal roads. The railroads have a very low procent. Presently these roads have a low degree of modernization which seriously affects the accessibility in the rural environment and therefor the chances for its progress and of its 1.3 mil. inhabitants.

The networks for telecommunication and the telephone exchanges from the rural environment are old and insufficient, the telephony level being very low as compared to the urban one. The mobile telephony which is gaining everyday a more important place, doesn't represent a solution for the huge mass of rural population whose incomes are still low. Not to mention that the technical endowment of the rural regions is inferior to the urban one. The supply with water and heating is realised through traditional and individual systems. In some regions the supply with electric energy in a centralized system is missing. There is a huge no. of farmsteads that do not have access to the network that ensures the supply with naturale gas. This situation leads to the increase of the phenomena of depopulation and isolation. The measures taken in this concern follow the nomination of the standard of living in the rural regions (especially in the marginal ones) through the development of the infrastructure, having as effects the rehabilitation and revival of these rural ares by growing the atractivity and possibility to valorify the turistic potential that these regions have.

We have to take in consideration the fact that the primary agricultural production is valorified at a very low level, that the small and medium surfaces owened mainly by an aged population, do not allow the practice of a profitable agriculture. Not to mention that the technical equipments of the micro-farms is low and old-fashioned.

One of the serious problems that affects the rural environment is the access to medical and social assistance services. So the programmes of the Agency include measures that will encourage the progress of specific services in the rural regions with such problems.

The lack of the characteristic infrastructure, the insufficient infrastructures, the lack of adequate means to promote the regional values cause an insufficient utilisation of the resources of thermal water, of the potential of watering cure and of the natural and ethnographic resources. At the same time nowadays there isn't a constant concern in the region for the research of these resources and the identification of the best modalities to valorify them.

At the level of the region the participation at the educational systems is high (63.8 %). The private educational system is in full progress and in the urban regions an important part of the active population has a high level of qualification. All these lead to the appearance on the labour market of young labour force, mainly well trained. At the same time it can be observed the emmigration of the labour force with a high degree of qualification due to the lack of a real support. The projects initiated in this domaine will take in consideration the support of the young gradutes in order to put in practice the knowledge they aquired along the years, and so to establish a favorable environment for the activities inside the borders of the country.

Regionally, a very significant part of the active population is represented by the unemployed, due to the restructuration of the unprofitable regions of thr economy. In this context it was noticed an insufficient activity in the domaine of the professional orientation/re-orientation and at the same time the lack of the programmes for social accompaniament. So measures of strict necessity should be imposed for the realization of viable programmes for social accompaniament and professional orientation/re-orientation inside the companies in process of reshaping/privatisation.

The present tendency is towards the growth of the inactive population and the difficulties existent regarding the young population from the point of view of the integration on the labour market. This leads to an inherent risk of migration which has as a result the loss of a labour capital. A constant chance is observed in the orientation of the youyh for universities with ethic profile in the detriment of the humane ones (law, medicine, economy) the former ones offering higher chances for the young population to fiind a job after graduation and the possibiliti to emmigrate, the

## North-Western Region of Development

diplomas being recognized abroad. The young graduates encounter difficulties in finding a job after graduation because most of them do not have professional experience, this being a necessary condition required by the employers. At the same time, many of the young people do not fit their qualification from college and therefore put out of order the labour market. The existent infrastructure includes centres for counselling and finding jobs for the young graduates, by organising fairs scholarships for job positions, trying like this to install an equilibrium between demand and offer. A special category is represented by the unemployed people with average education, especially women of or over 50 years old, who due to the slow process of requalification and professional re-integration, cannot find work so easily. Handicapped people work in special set up companies whose purpose is to integrate them in the active live.

The promotion and introduction of some programmes that should include viable measures regarding this point of view would determine the lessening of the unemployed and of the emmigration of the young labour force.

So these "independent " activities from an economic, cultural or social point of view started to develop themselves on a higher rank. But all these projects depend somehow on the central power/organisation. Still we cannot talk of a decentralization from a political point of view, because in Romania there aren't governments and regional gatheringsthat should have power over a wide region. More over the regions that were formed (NE Region SE Region S-Muntenia Region, W-Oltenia Region NW Region, Central Region, Bucharest-Ilfov Region) according to the law that implies the regional development in Romania, (law151/1998) are not administrative and territorial units and don't have juridical personality. So we cannot talk about the transfer towards the local colections of some powers exerted till then by the central power, or less than that to dispose by the local colections of the normative capacity. These characteristics are encountered in the case of decentralized, regionalized or federal states of the European Union.

The model of "unity through diversity" promoted by the European Union has proved to be viable and competitive, this being demonstrated by the results that were obtained.