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ROMANIA'S GROWTH POLES POLICY AND THE EU FUNDING: RETROSPECTS AND PROSPECTS

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Abstract

The growth poles theory developed by Perroux in the 1950s and translated into spatial planning terms by Boudeville in mid-1960s represented a fertile seedbed for the growth poles policy of the EU, as an important component of the territorial dimension of the cohesion policy. Romania has been engaged in supporting the urban policy from the very first programme period as a EU member state, 2007-2013, placing an important emphasis on the sustainable development of the urban growth poles within its Regional Operational Programme (ROP). Subsequently, the ROP 2014-2020 continues this support, with ERDF allocations via sustainable urban development axis, in an integrated manner. This paper proposes an inquiry into the continuities and discontinuities between the two programme periods with regard to this issue, aiming to examine to what extent the 2007-2013 lessons have been learnt in the current context and what are the messages for the post-2020 period. The analysis has envisaged the EU and Romanian relevant documents for the growth poles policy, the examination of the output and result indicators provided by the official evaluation reports and of data offered by the National Institute of Statistics (NIS) as well as by World Bank studies focusing on growth poles and competitive cities in Romania. The systematic interpretation of the results has generated useful conclusions with regard to the positive effects and shortcomings of the growth policy, opening the door for new approaches in the 2021-2027 programme period.

Keywords: growth poles, Regional Operational Programme, Romania, European Union.

JEL Classification: R58.

1. INTRODUCTION

The growth poles theory and practice have the roots in the seminal work of Francois Perroux (1950, 1955), who developed the growth poles model in the mid-1950s. Even if some ideas of Schumpeter (1934) regarding the role of innovation and large-scale firms were employed in his model (McCann, 2001; Sharman, 2015), it is Perroux that formulated a model of local development pointing to the selective

growth at certain points in space, where a ‘*propulsive unit*’ was expected to trigger the development process (Capello, 2007). The basic idea in the Perroux’s model is that “*development does not appear everywhere at the same time: it becomes manifest at points or poles of development, with variable intensity; it spreads through different channels, with various final effects on the whole of the economy*” (Perroux, 1955, p. 308, translated by Capello, 2007, p. 161). In this way he laid the foundations of the so-called diversified-relational space, which is a perfect representation of the cross-fertilization between location theory and local development theory (Capello, 2007).

Later on, the growth poles concept was translated into spatial planning terms by Boudeville (1966), who defines the growth pole as “*the presence of propulsive firms and industries that generate sustained regional growth through linkages with other firms in a region*” (Dawkins, 2003, p. 140)

Boudeville employed three hypotheses with regard to the geography and positive spillover effects, namely: the geographic clusterization between the propulsive industry and the connected firms; the location of the propulsive firm in a city; the positive effects of the dominant firm occur only in the local area (Capello, 2007).

More than forty years later, these ideas represented a fertile seedbed for the growth poles policy in the European Union, as an important component of the territorial dimension of the cohesion policy. Relevant documents in this respect are, “Territorial Agenda 2007” (EU Council, 2007a), “The Marseille Declaration” (EU Council, 2008), “The Toledo Declaration on Urban Development” (EU Council, 2010), “Urban Agenda for the EU – Pact of Amsterdam” (EU Council, 2016), “Territorial Agenda 2020” (EU Council, 2011). These documents were agreed at the ministerial meetings of the ministers responsible for spatial planning and territorial development or foreign affairs (depending on the meeting agenda), organized and hosted by the countries that held the Presidency of the Council of the European Union at the respective date.

Another important undertaking is the Reference Framework for Sustainable Cities (CEMR, 2015), developed by the Council of European Municipalities and Regions and conceived as a toolkit for European local authorities interested in supporting the integrated, sustainable urban development through the elaboration of integrated urban strategies or projects, the assessment of ongoing ones considering the European vision outlined by the Leipzig Charter (EU Council, 2007b) and the development of local strategies in order to implement the goals of 2030 Agenda for Sustainable Development (UN, 2015).

For the next programme period, 2021 – 2027, the European Commission continues to keep among its priorities the integrated urban development, the Objective 5 of the Proposal of Common Provision Regulation for 2021- 2027 envisaging “*a Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives*” (EC, 2018, p. 27).

To put in a nutshell, all these initiatives support the polycentric and balanced territorial development and encourage the integrated development in cities. Accordingly, „*all efforts which make cities motors of smart, sustainable and inclusive development and attractive places to live, work, visit and invest in*” (EU Council, 2011, p.6) receive the due consideration.

As far as Romania is concerned, she has been engaged in supporting the urban development from the very first programme period as an EU member state, 2007-2013. Thus, the Regional Operational Programme (ROP) 2007-2013 devoted its first priority axis to the „*Support to sustainable development of urban growth poles*”, which envisaged 7 growth poles and 13 urban development centres of regional importance, which were allocated 13.5% and, respectively, 6% of the total budget of the ROP (3,726 billion euros). The specific objective was „*to increase the quality of life and to create new jobs in cities*” (Government of Romania, 2007, p.122), via integrated urban development plans addressing the following issues: the rehabilitation of the urban infrastructure and improvement of urban services, including urban transport; the development of sustainable business environment; the rehabilitation of social infrastructure, including social housing and improvement of social services. Subsequently, the ROP 2014-2020 refers to 7 growth poles, 33 urban development poles and other local development centres, with ERDF allocations under sustainable urban development support axis, in an integrated manner (Government of Romania, 2014).

This paper proposes an inquiry into the continuities and discontinuities between the two programme periods with regard to this issue as well as a critical analysis of Romania’s growth poles policy results for 2007-2013, aiming to examine to what extent its lessons have been learnt in the current context and to provide useful orientations for the 2021-2027 period. It is based on the analysis of EU and Romanian relevant documents, the examination of the output and result indicators provided by the official evaluation reports and of data offered by the National Institute of Statistics (NIS) as well as by World Bank studies focusing on growth poles and competitive cities in Romania. The conclusions drawn following these ‘channels’ are interpreted in a systematic manner, from the perspective of both theory and advanced practices in the field, so as to highlight the positive facts and figures as well as the shortcomings of the growth poles policy. A special emphasis is put on the requirements of efficacy, simplification, flexibility regarding the mechanisms for the ROP implementation, so as to optimize the necessary time for projects launching and, then, for their completion, thus increasing the chances to turn into reality the goals of Romania’s regional policy in general and of the integrated, sustainable urban development in particular.

2. THE URBAN CENTRE NETWORK AND THE SELECTION OF THE GROWTH POLES IN ROMANIA

Previous EU experiences (URBAN I and URBAN II) have shown that an integrated approach to economic, social and environment problems within the

deprived cities proved to be successful for solving them and for ensuring a sustainable urban development. This approach consisted in simultaneous support for the physical renovation of the urban environment, for the rehabilitation of basic infrastructure, and also for actions concerning economic development, increasing competitiveness and employment, integration of ethnic groups, taking into account environmental protection. The advantage of this integrated approach consists in the possibility of solving simultaneously many inter-dependent problems, which affect both the cities and their surrounding areas, whether urban and rural (Government of Romania, 2007).

The identification of the growth poles was based on quantitative and qualitative analyses of the following areas, relevant for the potential of a large urban centre to become a pole of growth: areas of influence of the city; potential for development; the size and structure of the population; accessibility; economic development; major investments in progress or under implementation; business Infrastructure; profiling higher education in top-level areas; increasing the R&D & Innovation capacity; population access to urban public services; structure of labor force; health infrastructure; cultural infrastructure (Government of Romania, 2008). Finally, this assessment indicated that the largest cities were also the most prominent economically and those benefiting from the most developed public services. Thus, in each of the seven out of eight NUTS2 regions (exception was Bucharest-Ilfov region), the centre with the largest population was selected, which was, in most cases, also the largest economic centre. These cities were among the rank 1 municipalities under Law 351/2001, that is, municipalities of national importance, with a positive influence at European level (except for the capital city of Bucharest, which is considered a city of rank 0). Thus, by Governmental decision no. 998/2008 (Government of Romania, 2008) the following seven growth poles were designated: Braşov, Cluj-Napoca, Constanţa, Craiova, Iaşi, Ploieşti and Timișoara. Although Bucharest is the largest growth pole in Romania, it was deliberately omitted from the growth poles list because the support for the specified poles was meant to counterbalance the share of the capital in the national economy.

Moreover, through the same governmental decision 13 urban development centres were established, namely: Arad, Bacău, Brăila, Galați, Deva, Oradea, Pitești, Râmnicu-Vâlcea, Satu Mare, Baia Mare, Sibiu, Suceava, and Târgu-Mureș.

Table 1 presents Romania's growth poles and urban development centres, with their population and rank, followed by the corresponding map (Figure 1). According to the Law 351/2001 regarding the national physical planning, the national locality network is structured by locality rank as follows: rank 0 – the capital city (municipal of European importance); rank 1 - cities (municipalities) of national importance, with potential influence at European level; rank 2 - cities (municipalities) of county or inter-county importance, with a balancing role in the locality network; rank 3 – towns; rank 4 – villages with commune centre status; rank 5 - villages belonging to communes or to cities, towns. One can see that all growth poles are included in the rank 1 class, while among the urban development centres there are both rank 1 and rank 2 cities.

Table 1. Romania's growth poles and regional development centres

City	Population (1 January 2016)	Rank
Growth poles		
Brasov	290,743	1
Cluj-Napoca	321,687	1
Constanta	317,832	1
Craiova	305,689	1
Iasi	362,142	1
Ploiesti	233,663	1
Timisoara	332,983	1
Urban development centres		
Arad	179,045	2
Bacau	196,883	1
Braila	210,602	1
Galati	304,340	1
Deva	70,407	2
Oradea	222,736	1
Pitesti	176,747	2
Ramnicu-Valcea	118,775	2
Satu Mare	122,504	2
Baia Mare	147,801	2
Sibiu	169,786	2
Suceava	116,404	2
Targu Mures	150,191	2

Source: own processing, based on Law 351/2001 and NIS data

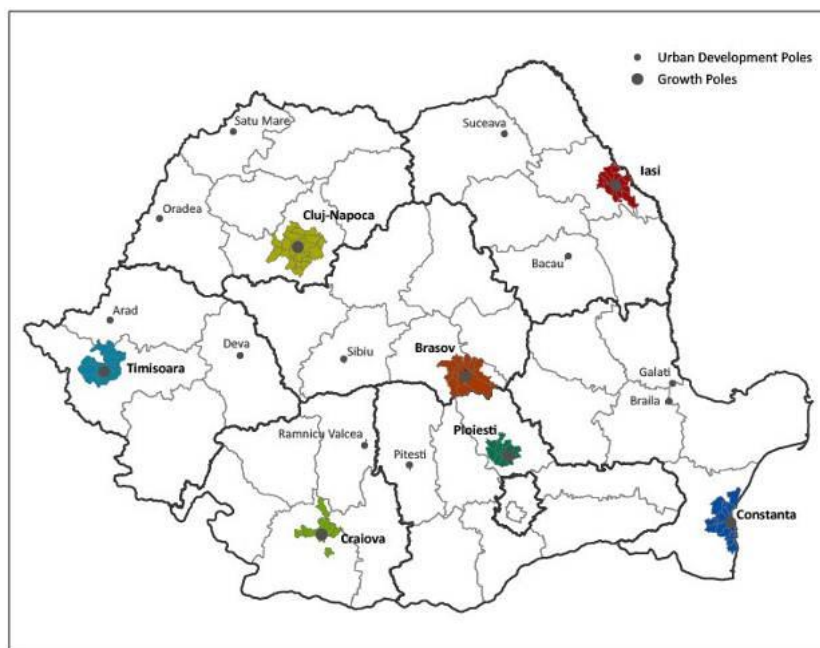


Figure 1. Growth poles and urban development centres (poles)

Source: World Bank (2013a), p. 6

Some hints about the demographic characteristics and the economic performance of Romania's growth poles are provided by a report of the World Bank (2013a). It highlights that, from a demographic point of view, all growth poles have dramatically decreased in size over the past two decades. In four cases, the decrease of the recorded population exceeded 20% (Braşov, Constanţa, Iaşi, Ploieşti). Only Cluj-Napoca and Timisoara recorded decreases below the national average. Without exception, the demographic decline appears to be less pronounced when considering areas that include neighborhood - growing areas. This is explained by suburbanization processes, changes in housing preferences, declining attractiveness of main cities, or a decrease in the number of jobs due to economic restructuring.

As far as the economic mass is concerned, all growth poles have had positive trends related to the revenues of the firms generated in those areas. The most significant increase was noticed in Timisoara, which became the third largest growth pole in 2011, after being the fifth largest growth pole in 2006. The lowest growth rate was registered in Brasov, which almost stagnated in 2008-2011. Figure 2 depicts the evolution of the business incomes in growth poles during 2006 – 2011 period, showing different resilience capacity for the seven growth poles, which proved different behaviour in terms of absorbing and adapting to the shocks.

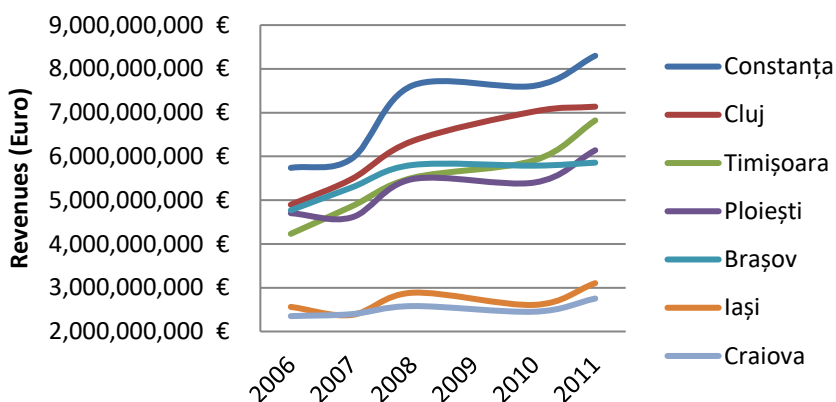


Figure 2. Evolution of business incomes in growth poles

Source: World Bank (2013a), p. 9

Thus, Cluj-Napoca and Timisoara are the only growth poles that seem unaffected by the 2008 economic crisis. They are actually the only two growth poles with a positive evolution since 2006. They are also the only poles that, together with Constanta, have succeeded to grow faster than the national average (Table 2). Together, the seven growth poles had a lower performance than the national average. This can be explained by the fact that much of the growth in Romania is generated in and around Bucharest. As shown in another report of the World Bank (2013b) on competitive cities and remodelling Romania’s economic geography, the only counties that managed to keep the pace with the growth in Bucharest were Timis, Cluj, Sibiu and Arges.

Table 2. Increase of revenues in the growth poles

Growth poles	2011/2008 (%)	2011/2006 (%)
Brasov	1	19
Cluj	12	31
Constanta	9	31
Craiova	7	15
Iasi	8	17
Ploiesti	12	23
Timisoara	24	38
Romania	8	28
All 7 growth poles	11	27

Source: World Bank (2013a), p. 9

If the analysis focuses on the regions, all the designated growth poles seem to function as economic engines of the respective regions. However, at national level, Timisoara and Cluj-Napoca can be distinguished as leaders of growth, alongside Bucharest. The economic performance of Constanta is influenced by the Năvodari petrochemical refinery, which creates one third of the revenues of the companies in

the Constanța growth pole (World Bank, 2013a). Moreover, the World Bank report (2013a) explains with detailed arguments why the growth poles are essential for Romania's development. It shows that most of the economic growth in a country is generated by a small number of cities and, as the benefits of development are spreading, the closer to such a growth pole is another city or town, the higher its living standard. For example, peri urban localities neighboring Bucharest, Timisoara and Cluj-Napoca are among the most developed in Romania. A third argument is that the proximity to big markets matters. Thus, the cities that are close to West European markets (which 70% of Romanian exports are directed to) tend to be more developed than the relatively more distant cities in the East and the South of the country.

3. THE EU SUPPORT

3.1. 2007 – 2013

The growth poles strategy was designed as an advanced one, by taking into consideration particular elements such as:

- Recognizing the role that growth poles can play as the main regional economic engines, one such pole being selected for each region.
- Reconsidering the spatial aspects of the development processes by taking into consideration the territory beyond the administrative limits of cities. They are seen as functioning like parts of wider functional areas (in economic, social, ecological and cultural terms) that require planning and management beyond administrative boundaries.
- Providing an integrated approach to different investments, by valorising the synergies and the development of projects that increase each other's value.
- Encouraging a multi-sectoral approach to socio-economic development in the context of ensuring the sustainable urban development (Government of Romania, 2008; World Bank, 2013a).

Under the ROP 2007 – 2013, the Priority Axis 1 - Support to sustainable development of urban growth poles were financed projects included in medium and long-term integrated urban development plans aiming at the development or regeneration of cities (Government of Romania, 2007). These integrated plans were implemented through projects addressing the following issues:

- Rehabilitation of the urban infrastructure and improvement of urban services, including urban transport.
- Development of sustainable business environment.
- Rehabilitation of social infrastructure, including social housing and improvement of social services.

- In order to contribute to solving such complex problems and to ensure a polycentric and balanced urban development of the country, they were financed based on integrated development plans addressing growth poles - made up of large urban centres (the 7 municipalities nominated by the Governmental Decision no. 998/2008) and their areas of influence, urban development poles (13 municipalities nominated by the same Governmental Decision) and urban centres (cities and municipalities with more than 10.000 inhabitants) category in which the Bucharest Municipality was also included.

This priority axis sought to meet the needs of Romanian cities in order to build a sustainable, competitive and, at the same time, unique and differentiated national urban system. Explicitly, by promoting appropriate infrastructure projects, it was intended to increase the economic and demographic density of the main urban centres and to facilitate their links with smaller ones. At the same time, the integrated view of its action was conceived to encourage the spread of minimum service standards across urban areas.

During the implementation of the priority axis dedicated to urban development in the period 2007 – 2013, 687 applications for a total amount of 2.8 billion Euro were submitted, of which the requested European contribution was 1.76 billion Euro. The submission rate was 162% compared to the allocation (MDRAP, 2015). 525 contracts were signed, with a total value of 1.98 billion euro, out of which the European contribution was 1.23 billion euro (a contracting rate of 113%).

The percentages of achieving the targets proposed in the ROP through the 525 signed contracts are displayed in Table 3. The first four indicators are output indicators, which refer to direct deliverables affecting the performance capacity of the ROP, while the next three ones are result indicators, reflecting the concrete beneficial influence of the ROP in relation to the objectives of the first priority axis (see Online S3, 2018).

Table 3. Output and result indicators for the projects implemented under the ROP - Priority Axis 1 Support to sustainable development of urban growth poles: achievements vs targets

Indicator	MU	Target	Achievements for the finalised projects value	Achievements for the finalised projects percent
Integrated urban development plans accepted	no	30	97	323%
Projects ensuring the improvement of the urban infrastructure and urban services, including urban transport, within integrated urban development plans	no	60	358	596%
Projects promoting the development of sustainable business environment, within integrated urban development plans	no	15	13	87%
Projects ensuring the rehabilitation of social infrastructure, including social housing and improvement of social services, within integrated urban development plans	no	25	134	536%
Inhabitants benefiting from the implementation of projects within integrated urban development plans*	no	400,000	8,603,612	2150%
Companies established in the regional and local growth poles	no	400	93	23%
Jobs created / saved	no	1,500	4,296	286%

Source: information processed based on MDRAP (2017a).

*The value of the indicator "inhabitants benefiting from the implementation of projects" was calculated as the stable population (2014) of the cities with integrated development plans where at least one project was completed.

As the numbers above are highlighting, the contribution of this intervention to the economic development of urban areas and of the region in general is important. This priority axis of the ROP is the first intervention to pursue the integrated development of a city and its area of influence, and has had the effect of developing the capacity of public authorities to think integrated, developing public administration skills to manage integrated projects, and - very important for future development - to manage joint projects / partnerships.

According to the evaluation report of this priority axis, the main results consisted in the implementation of projects in areas inhabited by disadvantaged groups (contributing to the improvement of the quality of life in these areas), the modernization of streets, the extension of the areas with green spaces and the reduction of the crime rate (MDRAP, 2015).

The interventions also contributed to solving other existing social and urban infrastructure problems, which, in the absence of this opportunity, would have required a much longer period and would have created major financial pressures for local authorities. Examples are the citizen safety increasing and reducing criminality by providing video surveillance systems (installed in parks, traffic, etc.), the creation of temporary jobs for the local workforce, engaged in the execution of works/provision of services related to the projects implemented at locality level, etc. But the main benefits can be remarked at the level of the people living in such areas, whose quality of life increased via delivery of high standard social services, improved road, access and parking infrastructure, capitalizing on cultural and tourist heritage, building the metropolitan urban public transport infrastructure, improving public lighting, supporting the business and academic environment.

As regards the qualitative effects produced by this priority axis, it can be noticed that it has led to the development of a real partnership at the growth pole level, to the development of a common sense of belonging to it. At the same time, the visibility and success of implemented project ideas awoke the interest of other important actors to get involved in projects aimed at developing the growth pole. Moreover, the integrated thinking of the elaborated plans was very beneficial for the development of projects because it has brought to the administration, for the first time, the concept of thinking about the development of an area or even the entire city in the context of a package of projects to be carried out. Until now, with insufficient funds, the projects were limited to punctual interventions, which had a limited impact on community life. Instead, these integrated projects act synergistically to achieve a broader development goal that can overlap with the development strategy or contribute to the strategy of the respective area or city.

The projects carried out have had spin-off effects as well, creating favourable conditions for various socio-economic-cultural activities of community and for city development, such as:

- development of business offices in areas that were previously unattractive;

- development of attractive socio-cultural leisure activities;
- the rehabilitation / modernization of the basic infrastructure in general, increasing the attractiveness of the area for the development of the business environment;
- the provision of video surveillance and traffic monitoring equipment, leading to increased safeness (MDRAP, 2015).

As regards the sustainability, all projects were designed to be continued through other investments in the future. Some of them even generated ideas for new projects, continued investment (for example, a number of infrastructure projects complementary to those already in place are in the process of preparing the documentation for the funding application/ or to be implemented from other financing sources).

The counterfactual evaluation of the implementation of this priority allows the comparison among beneficiaries and non-beneficiaries in relation to the unemployment rate (MDRAP, 2015). Beneficiary cities show a decrease in both the unemployment rate and the average number of employed persons, but non-beneficiaries have lower performance compared to beneficiaries, which is why the net effect is positive.

At the beginning of the funding period, urban connectivity was one of the main obstacles to create adequate pre-conditions for growth. In this context, implementation of the intervention has created new jobs, mainly related to the development of urban infrastructure. The urban centres included in the beneficiary group attract immigrants to a greater extent compared to non-beneficiaries cities, thus highlighting their attractiveness compared to other municipalities that do not benefit from funding under priority axis dedicated to urban development. Beneficiary cities show a lower drop in the live birth rate than in the non-recipients, which also has a positive net effect.

3.2. 2014-2020

The European regulations for the sustainable urban development in the 2014-2020 programme period (European Commission, 2013) aim to earmark at least 5% of the European Regional Development Fund (ERDF) amounts for the EU Investment Objective for Growth and Jobs to be dedicated to sustainable urban development (provisions of Article 7 of the ERDF Regulation).

The central element of sustainable urban development is the financing of urban development projects based on integrated urban development strategies addressing the economic, environmental, climate, demographic and social challenges of cities. The integrated urban development strategies have become the framework for selecting individual urban development operations (projects).

According to the regulation (European Commission, 2013b), the sustainable urban development can be implemented in one of the following ways: through integrated territorial investment (ITI), through a specific operational programme,

through a dedicated priority axis. It is mandatory to involve the bodies responsible for the implementation of integrated urban development strategies (called "urban authorities") in the process of managing the funds allocated to sustainable urban development (mandatory urban authorities are responsible for project selection tasks). Urban authorities are designated and act as intermediary bodies, being included in the European Structural and Investment Funds (ESF) management and control system.

In Romania, the approach to sustainable urban development, according to Article 7 of Regulation (EU) No. 1301/2013 (European Commission, 2013a), is implemented through the ROP 2014-2020 by establishing a Priority Axis, namely Priority Axis 4 entitled "Supporting Sustainable Urban Development".

Priority Axis 4 of the ROP 2014-2020 includes investment priorities related to the following European thematic objectives (TO):

- TO 4 - supporting the shift towards a low-carbon economy in all sectors;
- TO 6 – preserving and protecting the environment and promoting resource efficiency;
- TO 9 – promoting social inclusion, combating poverty and any discrimination;
- TO 10 – investing in education, training and vocational training for skills and lifelong learning by developing education and training infrastructure.

The selection of the investment priorities gathered under this priority axis is based on the key challenges identified in the growth poles and other municipality county – capitals (Government of Romania, 2014):

- Greenhouse gas emissions and air quality are problematic in all major Romanian cities. The share of urban public transport is steadily decreasing at the city level, together with the intensive increase in the number of personal cars with effects on greenhouse gas emissions, increased traffic congestion and high energy consumption.
- The lack of coordinated interventions and the reduction of the investment capacity of the local authorities led to the emergence of abandoned, degraded or unused land in cities, with effects on the quality of life and the attractiveness of private investments.
- Availability and quality of workforce are critical factors for the development and growth of cities. It is therefore necessary to ensure the alignment of educational qualifications with the needs of the labour market and the provision of lifelong learning as well as to facilitate the return of parents to the active labour market by supporting the quality and access to pre-school and other early childhood education services.

- Social inclusion and combating poverty, especially for the Roma population, are important challenges for large cities. Measures are therefore needed to meet the needs of disadvantaged communities and to combat exclusion as part of a broader urban development strategy.

Priority Axis 4 addresses to 39 municipalities - county capital (including administrative-territorial units in the functional urban area, as the case may be) in the 'less developed regions' of Romania, except for Tulcea municipality, which will benefit from the budget allocated to the Integrated Territorial Investment (ITI) for Danube Delta. The whole axis has a financial allocation of 1,386.86 million euro (ERDF and national contribution), which represents 17.06% of the funds allocated to ROP 2014-2020.

Following a process of prioritization and selection clearly depicted by the methodological norms, a list of projects related to Priority Axis 4 will result, namely a list of priority projects (covering 100% of the available financial allocation) and a reserve list (additional up to 100% of the available financial allocation).

This list will be included alongside the other priority projects funded by the European Structural and Investment (ESI) Funds 2014-2020 or other sources (local budget, national budget, other donors, etc.) in the ESI Funding Document 2014-2020. The projects will be submitted for financing within the investment priorities related to Priority Axis 4 after finalizing the process of admissibility of the Justifying Document for ESI Funds 2014-2020 (MDRAP, 2017b)

Taking into consideration the long process for the implementation preparation of the priority axis dedicated to urban development, due to the required elaboration of various documents (strategies, plans), the number of projects submitted so far is low, respectively 49 projects that cover one third of the allocation. This is actually, one of the lessons learned from the current programme period at the EU level. The long process for elaborating different justifying documents does not allow the project implementation in due time, especially for the infrastructure projects. It would mean that the preparatory work for the projects should start more or less in the same time with the elaboration of strategies/ plans. This is not always possible since at the level of local authorities the investment budget does not allow the start of all the projects in the same time and is needed a clear timetable of the implementation on the ground (based on the different level of works).

An impact evaluation of the mechanism and measures proposed to be implemented through integrated urban development approach can be realized after the projects finalization.

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4. A LOOK FORWARD – POST 2020

At the end of May 2018 the European Commission published the proposal of the regulation for the next programme period, 2021 – 2027. Even if these proposals are discussed and, in some cases, modified, the draft regulations reflect the guidelines to be taken into consideration when drafting the following generation of operational programmes financed under structural funds.

Thus, based on the lessons learned and experience gained in the previous programming period, the support for the urban development will continue.

According to the proposed ERDF regulation, the policy objective 5 envisages “*a Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives*” by (European Commission, 2018):

- fostering the integrated social, economic and environmental development, cultural heritage and security in urban areas;
- fostering the integrated social, economic and environmental local development, cultural heritage and security, including for rural and coastal areas also through community-led local development.

Hence, compared with the current programme period, the urban development will be implemented through the following types of tools (European Commission, 2018): community-led local development, integrated territorial investments or another territorial tool. The regulation does not allow the elaboration of a priority axis dedicated to urban development from different policy objectives as it was the case in this programme period.

Moreover, is maintained the concentration of at least 6% of the ERDF resources at national level under the Investment for jobs and growth goal to sustainable urban development in the form of community-led local development, integrated territorial investments or another territorial tool under policy objective 5. The financing will be done based on territorial strategies elaborated by the relevant urban, local or other territorial authorities or bodies.

As regards the role of the authorities that will implement urban development tools, it will be maintained as in the current programming period. Where an urban, local or other territorial authority or body carries out tasks falling under the responsibility of the managing authority other than the selection of operations, the authority will be identified by the managing authority as an intermediate body.

Taking into consideration that the negotiation of the regulation has not started yet, it is difficult to envisage how the support for urban development will be transposed at the operational programme level. A clearer opinion on this issue might be formulated after the first round of negotiations of the thematic blocks dedicated to urban development.

5. CONCLUDING REMARKS

Over the last the growth poles theory has been subject of an impressive revival in Europe, as a result of the EU support to sustainable, integrated urban development within the territorial cohesion related policy measures, aiming at making cities attractive places for living, working, visiting, investing as well as for spreading development in the surrounding areas.

In Romania, the Regional Operational Programme 2007-2013 dedicated its Priority Axis 1 to the sustainable development of urban growth poles, contributing to the rehabilitation of urban infrastructure, the improvement of urban services,

including urban transport, the development of the business environment, the rehabilitation of social infrastructure and the improvement of social services. Moreover, in institutional capacity terms, this priority axis has contributed to the integrated way of thinking among public authorities, which developed their abilities to elaborate inter-related projects, with synergistic effects.

This policy is continued in the 2014-2020 programme period, being extended to all county capital cities, which benefit from integrated development plans. New emphases are placed on reducing the greenhouse gas emissions, coordinated interventions for increasing the investment capacity, aligning educational qualifications with the labour market needs, lifelong learning, social inclusion and combating poverty, etc. However, the number of implemented projects supported by the corresponding priority axis is quite low so far, as a result of the long and difficult implementation process, determined by bureaucratic requirements regarding the elaboration and submission of many documents as pre-conditions for financing and implementation.

The orientations outlined for the post-2020 cohesion policy create favourable conditions for new policy measures aiming to support urban development, especially via the “Europe closer to citizens” objective, which offers a new, stronger significance to the community-led local development. More details about the support to urban development in the next EU financial exercise will be available after the first rounds of concrete negotiations dedicated to this issue. However, efficacy, simplification, flexibility are already brought into discussion as relevant lessons learnt from the previous implementation processes.

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