

STRATEGIES FOR ROMANIAN TOURISM AND REGIONAL DEVELOPMENT IN 2007-2013. INSTITUTIONAL CHALLENGES

Constantin Daniela-Luminița

Academy of Economic Studies of Bucharest, Faculty of Cybernetics, Statistics and Informatics in Economy, Bucharest, Calea Dorobanților, nr. 15-17, sector 1, cod 010552, Tel. 3191901/int.383, Email: dconstan@hotmail.com

Mitruț Constantin

Academy of Economic Studies of Bucharest, Faculty of Cybernetics, Statistics and Informatics in Economy, Bucharest, Calea Dorobanților, nr. 15-17, sector 1, cod 010552, Tel. 3191901/int.383, Email: cmitrut@ase.ro

Gruiescu Mihaela

Academy of Economic Studies of Bucharest, Faculty of Cybernetics, Statistics and Informatics in Economy, Bucharest, Calea Dorobanților, nr. 15-17, sector 1, cod 010552, Tel. 3191901/int.383, Email: mgruiescu@yahoo.com

In accordance with the strategic orientations regarding tourism development in Romania, various operational programmes elaborated for absorbing the EU funds allocated for 2007-2013 include – directly or indirectly – priorities and measures relating to tourism development, cultural tourism being paid a special attention. Even though there is no operational programme entirely devoted to tourism development, the Regional Operational Programme contains as one of the basic priorities the sustainable development of regional and local tourism, with a share of 15% of total public expenditure. This paper examines the institutional challenges regarding the involvement and cooperation between the Ministry of Regional Development as Management Authority and Ministry of Tourism as Intermediate Body so as to ensure a high capacity of absorption of the EU funds and generate the expected results for tourism and regional development in quantitative and qualitative terms.

Keywords: *tourism strategies, Regional Operational Programme, institutions, EU funds, absorption capacity.*

Institutional structures

In Romania, until April 2007 it was the responsibility of the *National Authority for Tourism*, subordinated to the Ministry of Transportation, Construction and Tourism to formulate the development strategy for tourism, as well as to co-ordinate this sector. More precisely, this Ministry carried out its tasks relating to tourism via the National Authority for Tourism (Government of Romania, 2004). Afterwards, as a result of a government restructuring tourism has been transferred to the *Ministry for SMEs, Commerce, Tourism and Liberal Professions*, where a department dealing with this activity administration has been created. At present, after 2008 elections, a *Ministry of Tourism* has been set up.

An important particularity of tourism should be noted, however, namely its *organisational structure*, marked by an *extreme fragmentation*, both horizontally – between suppliers, institutions involved in this sector and vertically – between stages in production and delivery of the final product. In a study devoted to this question Ashworth (1994) stressed the idea that “simply those responsible for managing the resources, shaping and promoting the product and servicing the consumer are many, diverse and fragmented. It is unrealistic to imagine that a comprehensive policy for tourism can be developed by a single unified authority” (p. 12).

For Romania cultural tourism is a relevant example in this matter. Thus, its development is addressed in connection with the strategy for cultural patrimony promotion, preservation and protection elaborated by the Ministry of Culture, which establishes numerous links with the development of other sectors like education, tourism, services, infrastructure. For 2007-2013 this strategy envisages continuing the programmes already in force, such as the national programme

for archeological explorations, the national restoration programme, “Alburnus Maior” national programme (Roman gold mines), as well as widening their scope.

Among the measures envisaged by these programmes, the rehabilitation and development of the infrastructure directly or indirectly related to the national cultural patrimony is a top priority. At the same time, raising the public awareness with regard to cultural identity, supporting the scientific research focused on natural and cultural patrimony, developing modern methods and techniques for patrimony preservation and restoration are also considered. A special emphasis is put on the integrated preservation and development of rural patrimony as an element of cultural identity.

The strategy views the cultural patrimony as a component of the national patrimony, stressing the need of being included in a national strategy for the preservation, administration and of turning to good account of all natural and cultural resources.

The resulting cultural policies are spatially structured by development region, county and locality.

Subsequently the cultural patrimony strategy has been connected with the strategy for tourism development so as to benefit to a greater extent from the potential offered by the cultural-historic patrimony.

Regional strategy and policy related measures

For the resulting policy measures to be implemented, various *operational programmes* elaborated for absorbing the EU funds allocated for 2007-2013³⁸⁷ include – directly or indirectly – priorities and measures relating to tourism development, cultural tourism being paid a special attention. Even though there is no operational programme entirely devoted to tourism development, the Regional Operational Programme (ROP) contains as one of the basic priorities the sustainable development of regional and local tourism, with a share of 15% of total public expenditure (from European Regional Development Fund and state budget) (Ministry of Development, Public Works and Housing, 2007³⁸⁸). This priority is based on measures focusing on: the restoration and sustainable use of cultural patrimony as well as the creation/development of related infrastructure; the creation/development/modernization of specific infrastructure for sustainable use of natural resources and the increase in the quality of tourist services; promotion of tourism potential and creating the infrastructure needed to raise Romania’s attractiveness as tourist destination.

The other priorities of the ROP concentrate on the sustainable development of cities as growth poles (30%), the improvement of regional and local transportation infrastructure (20.35%), the improvement of social infrastructure (15%), the support for regional and local business environment (17%) and technical assistance (2.65%). One can easily notice the close links between tourism-related priority and the other priorities, their implementation representing a strong support for tourism development itself. Moreover, they might contribute to creating of a competitive regional profile in which tourism would be correlated with the other economic and social activities so as to increase regional employment and income. This may be particularly important for the lagging regions provided they are able to develop and promote projects for turning to good account of their tourist patrimony within a rationally conceived specialisation mix.

The priorities established by other sectoral operational programmes such as those for economic competitiveness, transport infrastructure, environment infrastructure, human resources development can also influence tourism sector development.

387 The financial allocations via structural and cohesion instruments for 2007-2013 are estimated at approximately 16.3 billion euros in the case of Romania.

388 Currently the Ministry of Regional Development and Housing.

The fragmentation of the tourism organisational structure is reflected in the distribution of responsibilities for carrying out the measures included in the operational programmes. Thus, the Management Authority (MA) for the ROP is the Ministry of Regional Development and Housing (former Ministry of Development, Public Works and Housing, former Ministry of European Integration). For each measure an Intermediate Body (IB) has been established in order to ensure its implementation. All priorities excepting tourism have the regional development agencies as IBs. For the measures included in the “sustainable development of regional and local tourism” the IB is the Ministry of Tourism, a close cooperation between the two ministries being highly required for a successful implementation of these measures.

Concluding remarks: institutional challenges

In order to make the institutional framework work properly in the 2007-2013 financial exercise, a series of issues are still in need of a solution (Raducu, 2006):

the cooperation between central and regional institutions should be strengthened;

- efficient project pipeline and co-finance capacity needs to be ensured to maximise the absorption of funds;

- the administrative capacity to ensure a sound financial management and control for all operational programmes needs to be strengthened;

- the procedures should be efficiently implemented and tested in an early stage.

In the particular case of tourism an important role has to be played by *regional/local public administration*, which is the most appropriate level for ensuring the necessary operational convergence between the national level and local communities, between various public and private stakeholders involved in defining and creating the tourist supply, with a special emphasis on sustainability aspects (Galdini, 2005). It has to adapt its view on tourism development so as to widen and enrich the traditional approach to regional economy, planning and sustainability based on a framework able to take into consideration and to integrate general economic policies, socio-economic development requirements and cultural challenges.

References:

1. Ashworth, G.J. (1994), “Tourism development: Some thoughts on the reconciliation of production and resource systems”, paper presented at the 34th European Congress of the Regional Science Association, Groningen, August.
2. Galdini, R. (2005), “Structural Changes in the Tourism Industry”, paper presented at the 45th European Congress of the Regional Science Association, Amsterdam, August.
3. Government of Romania (2004), “The Decision No. 413 regarding the establishment of the National Authority for Tourism” (in Romanian), in *Monitorul Oficial* No. 473/29.03.2004.
4. Ministry of Culture (2005), *The Strategy for Cultural Patrimony Promotion, Preservation and Protection*, Bucharest.
5. Ministry of Development, Public Works and Housing (2007), *The Regional Operational Programme (ROP) for 2007-2013*, Bucharest, http://www.mdlpl.ro/_documente/POR.
6. Raducu, A. (2006), “State of Play in Romania’s Preparation to Access Structural and Cohesion Funds”, Delegation of European Commission in Romania, mimeo.