

## THE METROPOLITAN AREA OF ORADEA – DEVELOPMENT DIRECTIONS

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**Abstract:** *The Metropolitan Area of Oradea has certain directions of development settled in accordance with the objectives of development assumed by The Local Council of Oradea on 10 March 2015 once with the approval of the strategy for development of Oradea Municipality for the period 2016 – 2020. It is very important for for the Municipality of Oradea to become, by quantifiable arguments in a relatively short period of time a real competitor of the great cities surrounding it or of Timișoara, Cluj-Napoca, Arad and Debrecen. Domains, in which Oradea can excel as a clear differentiator in front of its competitor, are closely related to the local traditional specific and resources. Thus, Oradea proposed to be the capital of Art Nouveau and thermal-ism. The fulfilment of this goal would definitely bring more tourists and obviously additional financial resources to the local budget. At this moment, OMA is prepared in what concerns the hotelier infrastructure and utilities for taking the new tourists. In addition, another important objective regarded at macro level for the entire OMA is the assurance of a security comfort for the citizens of the Municipality of Oradea and implicitly of the neighbouring villages. One of the objectives – Oradea, the safest city – is closely linked to another one which represents the follow-up of some successful beginnings in 2012 with the award Oradea – the green city. In the following period an increase of the surfaces covered with green spaces and recreational areas is being planned for the optimum comfort of the inhabitants and tourists of the OMA. The three main objectives mentioned above must be added to the imperative need of completing the necessary investments for the increase of the quality of life. The infrastructure for the assurance of the quality of health and education is reflected by the completed HURO programme accessed by the executive of OMA.*

**Keywords:** Economic development; metropolisation; economic territory; sustainability.

**JEL classification:** H41

### 1. Background

The general concept of a metropolitan area is that of a core area containing a large population nucleus, together with adjacent communities that have a high degree of economic and social integration with that core.

The development of Europe's economic territory today can be characterised as a process of metropolisation of economic development potentials and innovation capacities. "Metropolisation" is a paraphrase for the selective concentration of research-intensive industries and knowledge-intensive services on metropolitan regions and major urban agglomerations

On this basis the metropolitan regions and urban agglomerations are functioning as the "motors" of the European economy. In this article the metropolisation of the European economic territory is being analysed with regard to the increasing specialisation of Europe's major urban regions on knowledge-intensive economic activities. Particular emphasis is being put on the different sectoral profiles and development paths of the European urban agglomerations' and metropolitan regions' knowledge-intensive economy.

The result of this analysis is a differentiated representation of the developmental dynamics in the European Union urban system which allows overcoming simplifying general trend descriptions as for example the structural change of urban regions towards becoming "service centres".

Updating the local development strategy 2015-2020 Oradea was achieved within the project "Local development strategies in Oradea Metropolitan Area" implemented by Oradea Metropolitan Area Association. The overall objective of this project was to improve the capacity of government in Oradea Metropolitan Area. By implementing the project we aimed to improve public policies and update local development strategies of our members. The overall objective of sustainable development strategy in Oradea is to raise the standard of living by exploiting existing resources and promoting the potential of administrative-territorial unit. To achieve this objective should be achieved a complete and realistic analysis of the situation at local, metropolitan, county, regional, national and international levels.

Thus, information was collected, analyzed and interpreted at the level of Oradea municipality, both as separate territorial unit and the main urban core of OMA, coupled with the specific situation in Bihor county and the North West Region. There were identified problems and measures to be taken.

This strategy also outlines actions for the promotion and achievement of the project "Oradea Mare", meaning the administrative - territorial union of Oradea with Sînmartin commune, in order to achieve the common goal "Oradea / Felix - the capital of spa tourism in Romania".

The attached list of priority projects was generated within internal meetings and working groups, public debate and analysis of project proposals that are being processed at technical and decisional level by the Municipality of Oradea. Starting from the investments already made in the previous period 2007-2013, based on the principles of opportunity analysis, financial affordability and generating added value without high costs of maintenance, there have been selected the priorities presented in the attached list of projects.

This is work in progress because the material is still in the process of updating with the necessary additions, because the official launch of sources of grants has not occurred yet (Final guides for national, international and cross border programmes). It is estimated that they will be launched in the first half of 2015.

At the time of their launch, this strategic document and priority projects portfolio will be updated with the final list of eligible activities and costs, which will allow completion of the implementation schedule and budgets. Meanwhile we work on the development / update / completion of technical documentation necessary to achieve these strategic investment projects.

This strategy emphasizes the role for Oradea municipality within Oradea Metropolitan Area (OMA) as a platform for sustainable development. OMA was created by associating Oradea and administrative-territorial units located in the proximity area of municipality: Biharia, Bors, Cetariu, Girişu de Cris, Ineu, Nojorid, Oşorhei, Paleu, Toboliu, Sînmartin and Sîntandrei.

The purpose of association, as it was established in constitutional documents, is to stimulate and support the growth and prosperity of the metropolitan territory and to increase the welfare of its citizens, the main purpose being the continuous increase of quality of life.

The overall objective underlines the sustainable development of the metropolitan territory, envisioning the creation of a common urban space of its members, following all the necessary principles to ensure territorial cohesion.

The set specific objectives are related to aligning OMA to economic and social standards of Euro-Atlantic structures, harmonized with the national ones of keeping the metropolitan market climate aligned to international competition procedures, and not least, economic and social growth in the area. Among the main directions of activity of the association, there are key elements of a coherent strategy, promoting sustainable development, the implementation of public policies to support the continuous growth of added value, attracting, facilitating and supporting direct investments, to develop projects of major impact on the sustainability of the area.

## **2. Current situation analysis**

### **2.1. Geographical positioning**

Oradea is located in the Central - Western part of Bihor County in the North West of the country.

Development Region. Oradea – administrative seat of the county - is a member of Oradea Metropolitan Area, having a central geographical position in it.

Oradea is bordered to the north by Biharia, to the east by Osorhei and Paleu to the south by Sînmartin and Nojorid and to the west by Sîntandrei and Borş. Relative to the custom point in Borş – the busiest border point between Romania and Hungary - Oradea is located at a distance of about 13 km.

#### **2.1.1. Strengths**

- A lower demographic aging degree than the numbers at the county regional and national levels;
- Demographic dependency ratio is below the level recorded at county, regional and national, which means "pressure" exerted by the economically inactive population (young and old) on the active (adults) is lower;
- Infant mortality rate lower than the regional or county level;
- Positive balance for changes of residence, because of the large number of students;
- A higher marriage rate compared to the county, regional and national levels.
- Decreased divorce rate in 2014 compared to 2013

#### **2.1.2. Opportunities**

- Support of the national birth levels through government incentives (aid for children, benefits, etc.);
- Sustainable economic development of the area can lead people settled abroad to return;
- The background of increasing the number of jobs may encourage the establishment of population outside the municipality, which will determine the demand for new homes
- Investments to improve the quality of life will attract people with higher education;
- Economic development = jobs, 25,000 commuters will be established in the coming years in Oradea
- Oradea-Sînmartin territorial annexa

### 2.1.3. Weaknesses

- Downward trend of population in Oradea between 2000-2014 and its migration to neighboring area, for ex. in Sînmartin, Oșorhei, Paleu, Sintandrei etc .;
- Slightly unbalanced distribution of population by gender (53% females and 47% males);
- Labor replacement rate present a deficit of labor force of about 50% in 10-15 years;
- Negative balance of residence change (including migration abroad);
- The downward trend in marriage rates in recent years;
- Significant increase in divorce rate in 2006-2014; value of divorce rate is higher than in Metropolitan Area Oradea, Bihor County or North - West Region.
- Negative natural growth rate registered in recent years;

### 2.1.4. Threats

- Abroad population migration due to the global economic crisis;
- Reduction in the amount of maternity allowance may reduce the birth rate
- Aging of the general population due to the decreased number of newborns;
- Increasing divorce rates as a result of departure of one spouse to work abroad.
- Reduction of incoming residences due to low numbers of students because of low numbers of high schools graduates.
- Persistence of economic crisis (natural growth rate is related to this phenomenon).

## 3. Public Transport: TRANSREGIO

Scheduled public transport is organized across the three administrative - territorial units: Oradea establishment, organization, regulation, operation, monitoring and joint management of local public transport by regular services of the association, on the competence area of the administrative - territorial members, in accordance with Law 51/2006 of public utilities services and the principles of decentralization and local autonomy.

The members of Transregio Intercommunity Development Association are:

1. Oradea Municipality;
2. Borș Commune;
3. Sînmartin Commune.

Of the total of 238,254 inhabitants of the area of ADI Transregio, 98% live in Oradea, the municipality being the centre with polarizing role in the region due to multiple connections (social, cultural, economic) that it has with all members of ADI Transregio.

The local public transport network consists of 5 tram routes with a length of 71.9 km, 17 urban bus routes with a length of 210.8 km and 6 metropolitan bus routes with a length of 114.1 kilometers.

Transregio Intercommunity Development Association was constituted on 13.03.2012 aiming the According to data from OTL. In 2014, in Oradea 70 buses and minibuses, out of 1,437 existing at the level of Bihor county were put into service. In what concerns the public transport via trams, Oradea is the only place in Bihor County that has the necessary infrastructure.

In 2014, 68 trams were put into operation (car + trailer), i.e. 46% of the existing trams at regional level. In the North - West Region, only Cluj-Napoca provides public transport by trams, holding 37 such vehicles.

The price for a ticket for a journey by public transport in Oradea is 2.5 lei and the price of a monthly pass, valid for all lines, is 70 lei. There are discounts of 50% of the full price of the subscription for pupils and students, granted by Oradea Municipality based on a Regulation. Retired persons and persons entitled under the law and decisions of the council benefit from free local public transport.

#### **4. Water / Sewerage: APAREGIO**

Intercommunity Development Association APAREGIO Oradea was established on 18.02.2008 and is incorporated under the provisions of Law regarding the local government no. 215/2001 republished and modified, Law regarding the community services for public utilities no.51 / 2006 as amended and supplemented, Law regarding public service of water supply and sewerage no. 241/2006 amended and supplemented, and of Government Ordinance no. 26/2000 on associations and foundations with approved and completed modifications. A.D.I. Aparegio is the legal entity of private law and public utility status.

The founding members of the association are: Bihor County, Oradea Municipality, Beiuș Municipality, Nucet City, Vascau City and communes: Biharia, Borș, Ceica, Cetariu, Copacel, Drăgești, Girișu de Criș, Hidiselu de Sus, Ineu, Lăzăreni, Nojorid, Oșorhei, Paleu, Sacadat, Sînmartin, Sîntandrei, Tinca, Toboliu.

The Association was established for settlement, creation, organization, financing, operation, monitoring and management of joint service of water and sewer within the competence area of the administrative-territorial units and for the joint execution of investment projects of area or regional interest, for setting up, modernization and / or development, as appropriate, of public utility systems related to the service of water supply and sewerage, based on its development strategy.

At the base of the Association is the general interest of the inhabitants from territorial administrative units members of the Service, under conditions of tariffs that respect the limits of affordability of the population and the "polluter pays principle," achieving and complying with European standards on environmental protection, and increasing the ability to attract funds to finance the necessary investments in public infrastructure related to the service of water supply and sewerage.

As a result of the signed association agreements of ADI APAREGIO, it was proceeded to delegate the administration for the water supply and sewerage based on which SC Compania de APA Oradea SA fulfilled one of the eligibility conditions in order to obtain the necessary financing for investments through the Sectoral Operational Programme Environment 2007 2013.

The achievement of these investments is mainly aimed at compliance with Community legislation Implementation Plan in accordance with the Treaty of Accession of Romania to the European Union.

As a result of the issuance of the financing decision no. 2011/2034 from 05.04.2011 of the European Commission, issued after thorough verifications, changes and additions made during the evaluation and selection procedure, based on criteria established by the European Commission Regulations Sectoral Operational Programme Environment, on 18.04.2011 was signed between the Ministry of Environment and Forests and SC Compania de Apa Oradea SA , the financing contract no. 121 230 - "Extension and modernization of water and wastewater in Bihor county."

The Contract signed between SC Compania de Apa Oradea SA (as delegated public service operator) and the Managing Authority for the Sectoral Operational Programme Environment is worth 300,624,265 lei without VAT. Responsibility for project implementation lies with SC Compania de Apa Oradea SA, in cooperation with ADI APAREGIO.

Performance indicators to be achieved by application of SOP Environment under the Cohesion funding:

**Drinking water:**

- Coverage of the service
  - Before project - 91.5%
  - After project - 99.6%
- Km of water distribution network comprised in the project
  - replacement - 56.8 km
  - extension - 82.4 Km
- Km of new adduction pipe network
  - extension - 40.5 Km
  - Number of treatment/pumping plants in the project
  - new water pumping stations - 2
  - new pumping stations hydrophore - 7
  - new water treatment stations - 4.
- Coverage of the service
  - Before project - 83%
  - After project – 98.9%
- Km of sewerage network comprised in the project
  - replacement – 34.1 km
  - extension 126.1 Km
- Km of new adduction pipe network
  - extension - 40.5 Km
- Km of new collectors for transfer / new pipes wastewater discharge
  - extension - 32.1 Km
- Number of pumping stations of wastewater / sewage in the project
  - new wastewater pumping stations - 24
  - new treatment stations – 2

**5. Heat energy: TERMOREGIO**

The public service of heat energy supply in centralized system is available in Oradea and commune Sînmartin. This service is organized according to Law no.325 / 2006, which regulates the specific activities on the production, transmission, distribution and supply of heat to users.

Oradea is currently associated with commune Sînmartin in the Intercommunity Development Association of public utilities for the service of heat supply, Termoregio. All the activities related to the service of centralized heat supply (SACET) are the responsibility of local authorities. Service is achieved through technical infrastructure that belongs to public domain, consisting of equipment, facilities, specific facilities that produce hot water and heating. Services include: thermal stations, electrical central heating, network connections, transport networks, thermal points, measurement and control systems.

Currently, Oradea City Hall implements the investment project Rehabilitation urban heating system in Oradea for the period 2009 - 2028 in order to comply with

environmental legislation and increasing energy efficiency, financed by the SOP Environment.

The centralized heat supply system (SACET) in Oradea, supplies about 70% of households / population in Oradea. The age of this equipment varies between 27 and 47 years and have not benefited of major works of modernization, due to lack of funds, therefore present a low overall efficiency and high level of air pollution.

Besides the cogeneration power plant, to SACET also contribute two boilers operating on natural gas and geothermal resources, which covers less than 3% of the city consumption. They belong to SC Transgex SA and supply the consumers through the networks of SC Termoficare Oradea SA.

As a result of the project Rehabilitation urban heating system in Oradea for the period 2009 - 2028 in order to comply with environmental legislation and increasing energy efficiency, (with a total value of EUR 77.7 million) funded by the Sectoral Operational Programme Environment, will be put into operation during 2015 a number of new facilities of the latest generation, efficient and low pollution.

### **5.1. Heating Networks**

Primary heat networks provide the transportation of hot water from CET to heating points. This system comprises six lines of which only one leaving directly from the central (City Line) and branches into three lines: M1 (9 km), M2 (6 km) and M3 (2.7 km). In the city center, the three lines branch to other 3 other lines (M4, M5, M6) through a system of sectioning valves and connecting straps. The transport network has a length of 77.04 km.

The secondary thermal network is 142,456 km long. 32, 40%, in pre-insulating system and 10% in classical system have been rehabilitated up to the present.

### **5.2. Heating points**

In Oradea, the operator SC Termoficare Oradea SA operates 151 heating points, of which 27 are upgraded and fully rehabilitated and 124 are partially rehabilitated.

A number of 7 heating points will be dropped and consumers (about 13,200 inhabitants in the district Nufărul I) will benefit from heat and hot water from geothermal water, heat pumps, and the majority of consume will be provided by SACET.

## **6. Conclusions**

The main directions of development of the Metropolitan Area of Oradea have to take into account the analysis of the present macro economical indicators of the entities forming this organization. Further more, the objectives assumed by the Municipality of Oradea, the centre of development, are very important. Thus, Oradea proposed some goals for the period 2016 – 2020: to be the safest city in the country and among the first three cities in the country in what concerns the street cleaning. In addition, the cleaning will be corroborated with the desired collocation "Green Oradea" a direct consequence of the rapid and consistent increase of the surfaces covered with green spaces and recreational areas in the past years.

Last but not least there is the objective generated by the involvement of the City of Oradea in the local/regional politics of balneary and cultural - confessional tourism: "Oradea the capital of Art Nouveau and thermal-ism"

## **7. Acknowledgment**

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