



MINISTERUL DEZVOLTĂRII REGIONALE
ȘI ADMINISTRAȚIEI PUBLICE



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The complexity of integration process in European Union – Romanian example

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Transition in Romania

Transition costs in Romania is a dramatic fall of economy, due to different factors:

- the fall of the national production,
- the qualitative depreciation of labor,
- the deterioration of qualitative products and services,
- the tendency of deindustrialization of the country sending the population in the countryside,
- the serious deterioration of the living standards and quality of life
- the migration of population abroad.

European Integration Process (1)

- Macroeconomic level – membership in the European Monetary Union
- Microeconomic level – functioning market economy – capacity to compete within the European Single Market
- Institutional framework – Membership in the European Union
- From 1st January 2007 Romania is member in EU but at the macroeconomic level, the integration is far away and does not guarantee the convergence.



European Integration Process (2)

The advantages of integration to the European Union for Romania are:

- security (economical and strategically);
 - prosperity for the citizens;
 - reaching a superior standard of civilization.
-
- The major problem of the Romanian economy is the lack of competitiveness and this leads to the incapacity of taking advantage of the EU integration benefits.



Romania today (1)

Economical level :

- Romania's main objective, is to ensure the real convergence of its economy with the economy of the European countries, simultaneously with the maintenance of the macroeconomic stability
- In April 2013 Romania fulfill only 2 criteria from 5 – from the Maastricht Treaty

Convergence criteria	Reference values at April 2013	Romania values at April 2013
Harmonised Index of Consumer Prices (HIPC) (12-months average of annual rates)	max. 2.5% (as of 31 Mar 2013)	4.1%
Budget deficit to GDP	max. 3.0% (Fiscal year 2012)	2.9%
Debt to GDP ratio	max. 60%, or declining (Fiscal year 2012) ¹	37.8%
European Exchange Rate Mechanism (ERM) members	min. 2 years (as of 31 Mar 2013)	no
Long-term interest rate (12-months average of 10yr bond yields)	max. 4.81% (as of 31 Mar 2013)	6.36%

Romania today (2)

Social level, we are facing with:

- the whole collectivity became poor;
- the deterioration of the educational process and the school abandonment;
- the institutional crisis in all sectors of social life: education, health, police, public administration, justice;
- the degradation of the social solidarity;
- Romania's no confidence in themself



Romania today (3)

Romania is confronted with two major problems: the absorption capacity and the effects of using these European funds.

- The absorption capacity of the structural funds is proven to be limited because of lack of experience and bureaucracy.
- Structural funds must create other financial resources, to be multiplied and be used by the community in order to support the strategic objectives of sustained growth and additional jobs.
- So, we need to have a coherent medium and long term development strategy financed by European and national public resources.

Regional Development Program (ROP) - 1

- From 2007 Romania has a Regional Development Program which support an equally balanced growth of all parts of the Country by ensuring that all areas should have a minimum level of business, social and human capital infrastructure to allow growth to take place.
- The entire REGIO program has allocated 4.436,83 mil Eur :

Region	Value - mil Eur	%
Nord - Est	724,09	16,32
Sud - Est	587,88	13,25
Sud	631,36	14,23
Sud -Vest	621,60	14,01
Vest	458,77	10,34
Nord Vest	536,41	12,09
Centru	483,62	10,90
Bucuresti Ilfov	393,10	8,86
Total	4.436,83	100

Regional Development Program (ROP) - 1

- ***Regional Operational Program Priorities and allocation :***
- Priority axis 1: Support to sustainable development of urban growth poles – 1.391,17 mil Eur
- Priority axis 2: Improvement of regional and local transport infrastructure – 876,71 mil Eur
- Priority axis 3: Improvement of social infrastructure – 657,53 mil Eur
- Priority axis 4: Improvement of the regional and local business environment – 795,65 mil Eur
- Priority axis 5: Sustainable development and promotion of tourism - 715,77 mil Eur



Regional Development Program (ROP) - 2

- Situation of ROP implementation in Bucharest Ilfov Region

Priority	Contracted projects	Value Mil lei
Axis 1 – Urban development	33	403,9
Axis 2 – Transport infrastructure	18	419,1
Axis 3 – Social infrastructure	26	281,5
Axis 4 – Business infrastructure	169	217,3
Axis 5 – Tourism infrastructure	10	225,5
Total	256	1547,3 around 343,8 mil EUR

European Integration Process

- **Conclusions:**
- **In order to obtain a good result in European Integration Process we must:**
 - **- improve the implementation of structural funds**
 - **- improve the national legislation**
 - **- improve the human resources and administrative capacity.**



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- **Thank you !**

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