

## THE TOURISM IN VIEW OF REGIONAL DEVELOPMENT IN THE NORTH-EAST REGION OF ROMANIA

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### **Abstract:**

*In the European Union, medium length territorial units called regions have been delimited, as a way of absorbing efficiently the funds from the European Union for regional development and also for interpreting and examining the regional statistics. The present paper contains aspects referring to the situation of the tourism in the North-Eastern region, comparing it to that of the other regions. It can be noticed that, following a negative evolution of the indicators after 1990, the tourism has lately made some progress, tendency which can be found not only in the north-east, but also in other regions of the country. This tendency will be maintained for the coming years, especially for reasons, such as: an increase in the quality of the services, rehabilitation of the infrastructure the use of the structural funds and the great number of tourists from the European Union. The north-east region is one of the lowest developed areas of Romania. The tourism can lead to a durable regional development in the north -east region of Romania and to an increase in the development level of this region, taking into account that the European Union policy has in view the elimination of the disparities among regions.*

**Key words:** regionalization, regional development, tourism, North -East development region of Romania

### **1. INTRODUCTION**

In the first part of this paper, we will refer to the concept of region and the importance of the regionalization in the European Union. Next, we intend to analyze the situation of the tourism in the north-east region as compared to the other regions of Romania, based on certain indicators, and finally we will suggest a few development directions and predictions concerning the region tourism.

### **2. REGIONALIZATION AND REGIONAL DEVELOPMENT**

The word 'region' can have different connotations. All of them have in common the idea of space as entity, so that the most significant definition of region is that it represents a unit which contains a limited number of medium length zones territorially adjacent.

Although most of the European states are unitary states, the decentralization of the decision is an idea unanimously accepted. Consequently, the regionalization became a common tendency in the evolution of the territorial organization of the European states, the regions representing the structures responsible for the assurance of the institutional convergence of the states, members of the European Union. Although the formation of regions is not a consequence of the regional development policy of the European Union the high level of the funds meant to accomplish its general objective (the acquirement of the economic and social cohesion by eliminating and preventing the imbalance among regions) had an important contribution to regionalization as well as to the establishment of some strategies, plans and programs of regional development which can ensure appropriately the distribution and utilization of the resources.

**The Nomenclature of Territorial Units for Statistics (NUTS)** was established by Eurostat (the Statistic Office of the European Union) in 1981. This classified list was created in order to produce a unique coherent plan of the territorial distributions so as to unify the regional statistics and to make possible the application of the regional policies of the European Union.

The Nomenclature NUTS is structured on three levels marked NUTS -1, NUTS-2 and NUTS-3. Each state (NUTS-0) is thus organized in one or more regions at the NUTS -1 level, and

are divided in one or more NUTS -2 regions and things are the same for the NUTS -3 regions. The NUTS regulations settle the minimum and the maximum limits for the regions' dimensions:

- NUTS-1 :3-7 million inhabitants;
- NUTS-2: 800.000-3 million inhabitants;
- NUTS-3: 150.000-800.000 inhabitants;

According to the European standard structure, the territorial organization of Romania can assimilate NUTS as follows:

- Level NUTS-I: macro regions ,not used at present;
- Level NUTS-II: 8 development regions with an approximate population of 2.8 million inhabitants;
- Level NUTS-III: 42 counties which reflect the territorial administrative structure of Romania;
- Level NUTS IV: it is not used as there have not been identified any associations of territorial units;
- Level NUTS V: 265 municipal towns and towns, 2.686 rural districts with 13.052 villages ,which reflect the territorial-administrative structure of Romania;

From the structure point of view, the territory of Romania is organized in territorial units. According to their status, the territorial units are administrative (rural district, town, municipal town, county) and nonadministrative (1). As territorial nonadministrative units, there have been created 8 development regions, constituted through the reunification of several counties.

In Romania, there have been made, through voluntary association, eight development regions. The development regions of Romania correspond to the NUTS -II divisions of the European Union. Although they are becoming more and more significant in the regional development area, these regions do not possess an administrative status, not having a legislative board or an executive committee.

The development regions are not administrative-territorial units, with no juridical personality, being a result of free agreement between county and local councils.

The developmental regions coordinate regional infrastructure projects and are members of the Regions' Committee from the moment of adhering to the European Union.

Concerning the "economic force" of regions, it is noticed that the gross domestic product per inhabitant over the national media, are Bucharest-Ilfov (where GDP/inhabitant is almost double compared to the national media) and West and Center regions. The poorest region is the North-East part.

Between 1998 and 1999 in Romania it developed, with PHARE support, a complex institutional environment destined to realize the regional development objectives stipulated by the Law nr.151/1998 concerning the regional development in Romania, respecting the principles of allocating the structural funds (mainly The European Fund of Regional Development) to the member states of the European Union. The regions' function is to allocate the European Union's funds for regional development and to interpret and research the regional statistics. The current tendency in E.U. is to decentralize the decisions.

The regional development policy reinforces the role and responsibilities of the local public administration and of the regional organizations in the economic and social development of each development area and regions, concomitantly with the diminution of the involvement of governmental institutions in such activities. The regional development policy is an important component of the local autonomy. One goal is the diminution of the regional imbalances, focusing on the stimulation of the balanced development and on the refreshment of the poor areas (with slow development). The North-East region is one of the less developed areas.

The policies and plans of regional development in the last years take into account more and more the tourist sector, as a strategic sector for providing a dynamic and durable economic growth, of certain regions with an important tourist potential.

### 3. THE TOURISM IN THE NORTH-EAST REGION COMPARED TO THE OTHER ROMANIAN REGIONS

The durable regional development must necessarily correlate and integrate the tourism of Romania, among other local economic components taking into account that this clean industry does not affect the environment and does not imply big investments. A good project of lasting development, included in a program of regional development, supposes investments less expensive if the integration is harmoniously organized. The tourism may become an important component of economy capable of important mutations in the territorial profile, determining a social-economic growth of some poor regions, as that from the North-East.

The North-East region is one of the least developed areas from Romania. The tourism may determine a lasting regional development in the North-East part of Romania and the growth of the living standards, because the European Union's policy intends to eliminate differences among regions.

The tourism may contribute, more than other sectors, to the accomplishment of some larger objectives, established by governments as priorities for the general interest of the citizens: fighting against poverty, improving life standards, growing currency cashing, intensification of relations between countries, even politic objectives.

The development of the local tourism must be done with the local authorities' support which have to take into account that, besides positive effects, the tourism generates a lot of negative effects, too. By a careful planning and an intelligent management, the benefits may be maximized and problems minimized. Thus, it may be realized a lasting development of the tourist sector by protecting environment and local culture.

Thus, in the period of 1991-2003, the existing accommodation capacity, expressed by the number of accommodation places, continued to fall down, and in 2003 it was recorded a growth, both at the national and at the North-East region levels (table no.1).

**Table no. 1. Accommodation existing capacity in development regions, in the period 1991 - 2005**

- number of accommodation places -

Year	Total	North-East	South-East	South	South-West	West	North-West	Center	Bucharest
1991	312407	23321	146527	25955	22230	21036	24732	38600	10006
1992	302533	22647	141917	23398	18766	23713	24270	37632	10190
1993	293036	21134	139281	23506	18046	23335	23357	35244	9133
1994	292479	21779	132505	23583	17875	23096	26259	38794	8588
1995	289539	20250	133739	23082	17462	22919	26044	37584	8459
1996	288206	18814	134489	23641	17010	22028	26493	36513	9223
1997	287943	19096	133296	23744	17118	22304	26472	36997	8916
1998	287268	19131	133006	23139	16890	22288	27231	36915	8668
1999	282806	18832	133548	22347	15363	21306	26382	36026	9002
2000	280005	17745	134081	22433	15295	21740	25547	35235	7429
2001	277047	16971	132053	21321	15326	22298	25197	34648	9233
2002	272596	17269	130111	21456	14855	20190	24561	33823	10331
2003	273614	17965	130991	21729	15112	20713	24320	32759	10025
2004	275941	17183	130854	22494	13936	21066	24576	34365	11467
2005	282661	18718	132965	22292	14672	21291	26019	35479	11225

Source: Territorial statistics 2002, INSSE, Bucharest, p. 327-336; The Statistical Yearbook of Romania, INSSE, Bucharest, 2002, p. 784, 2003, p. 839, 2004, p. 713, 2005, p. 740 and 2006, p. 740

In terms of development regions, the areas with the highest number of accommodation places are: the South-East followed by Center, North-West and South regions. We see that the South-east region has almost a half of the total accommodation places which exist at the national level.

Concerning the number of tourist accommodation units from Romania, between 1991 and 2005, this index registered a contradictory evolution, but after 2000 it had a constant tendency of growing (table no. 2).

**Table no. 2. The evolution of the number of tourist accommodation units in the period 1991 - 2005 in Romania**

Year	- number of units -														
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Tourist accommodation units	3329	3277	2682	2840	2095	2965	3049	3127	3250	3121	3266	3338	3569	3900	4226

Source: The Statistical Yearbook of Romania, INSSE, Bucharest, 1996, p. 677, 2002, p. 790 –791, 2003, p. 840 – 841, 2004, p. 714 – 715, 2005, p. 738, 2006, p. 738 ; National Development Plan 2002–2005, The Government of Romania, p. 36.

Like the number of accommodation places, the index of plain utilization of the functioning capacities had also a descending evolution. This decreased at the national level from 1991 to 2005, when it reached 33,4%. In the North-East region, the index is taking the general tendency of diminishing at the national level; it is the lowest index of all regions (table no. 3).

**Table no. 3. Indices of net using the capacity in function, in development regions, in the period 1991 - 2005**

Year	-%-								
	Total	North-East	South-East	South	South-West	West	North-West	Center	Bucharest
1991	49,8	46,1	52,9	52,6	46,2	49,0	46,1	46,0	60,6
1992	46,7	43,7	52,3	45,5	45,8	43,6	41,9	41,5	58,3
1993	43,1	40,4	49,6	41,1	42,0	36,0	38,1	38,7	57,9
1994	43,7	37,6	48,4	44,6	47,8	40,1	36,3	42,4	52,6*
1995	45,0	37,7	51,4	49,5	49,3	38,7	37,5	41,4	52,5*
1996	40,7	35,9	47,2	45,1	43,8	33,7	32,0	38,9	43,5
1997	37,7	31,7	43,0	43,2	39,7	31,9	29,7	34,8	47,5
1998	36,1	33,2	44,5	32,6	39,7	31,5	28,6	32,0	40,9
1999	34,5	30,0	41,5	29,5	41,8	35,4	29,0	29,3	38,5
2000	35,2	31,7	44,8	28,9	42,6	36,3	29,9	28,0	36,3
2001	34,9	30,2	42,3	29,2	44,9	36,9	31,9	28,2	32,2
2002	34,0	28,9	38,2	27,1	45,0	39,1	32,8	28,8	31,9
2003	34,6	29,2	37,8	28,7	44,4	38,7	35,5	28,5	35,9
2004	34,3	29,5	39,2	27,7	44,5	35,9	33,2	29,4	35,3
2005	33,4	27,2	37,8	28,1	40,6	34,7	32,2	29,5	38,1

\* The Ilfov County and Bucharest

Source: Territorial Statistics 2002, INSSE, Bucharest, p. 327 – 336 and The Statistical Yearbook of Romania, INSSE, Bucharest, 2002, p. 784, 2003, p. 839, 2004, p. 713, 2005, p. 740, 2006, p. 740

A descending evolution has in the period 1991 -2002 the index "Arrivals", too. This evolution is explained by the modest life conditions which made that the majority of Romanian people not be able to afford going on holydays. Also, the continuing decrease of the quality of the tourist services has made the wealthy people spend their holyday abroad. The biggest decrease, in a relative expression, may be found at the "Arrivals" index in the North-East and South-West regions. In the last years these things have started to change, so, after the year 2003 the "Arrivals" index has a tendency to grow (table no. 4).

The same descending tendency is noticed in the case of the "Passing the night" index with an easy growth after 2002 (table no. 5).

**Table no. 4. Tourist arrivals in the tourist units, in the development regions, in the period 1991 - 2005**

-thousands-

Year	Total	North-East	South-East	South	South-West	West	North-West	Center	Bucharest
1991	9603,3	1389,5	1789,2	1184,9	793,3	923,8	1099,6	1494,4	928,6
1992	8015,0	1120,3	1517,2	1045,9	642,4	783,4	910,3	1287,1	708,5
1993	7566,2	923,9	1400,1	903,7	576,0	705,9	1053,8	1177,8	825,0
1994	7004,7	846,4	1283,8	763,8	495,4	695,3	850,1	1114,8	955,1*
1995	7070,4	820,0	1395,4	816,5	544,6	648,1	805,7	1173,0	867,1*
1996	6594,9	780,8	1293,7	729,4	506,3	619,0	781,0	1234,7	649,9
1997	5727,0	662,8	1129,1	667,0	433,7	515,9	619,3	980,3	718,9
1998	5552,1	635,9	1171,5	641,6	374,3	520,3	605,9	927,5	675,2
1999	5109,4	568,8	1007,5	569,6	343,1	539,4	601,1	855,6	624,4
2000	5920,1	543,0	980,8	552,6	327,1	568,9	559,6	868,0	520,0
2001	4875,0	535,0	994,0	546,0	338,0	541,0	596,0	837,0	488,0
2002	4847,0	535,0	984,0	549,0	350,0	493,0	629,0	753,0	554,0
2003	5057,0	553,0	1019,0	572,0	324,0	520,0	637,0	847,0	585,0
2004	5639	619	1133	576	361	536	698	986	730
2005	5805	622	1108	574	334	535	733	1068	831

\* The Ilfov County and Bucharest

Source: Territorial Statistics 2001, INSSE, Bucharest, p. 327 – 336; The Statistical Yearbook of Romania, INSSE, Bucharest 2002, p. 784, 2003, p. 839, 2004, p. 713, 2005, p. 740, 2006, p. 740

**Table no. 5. Stayings overnight in the tourist units, in development regions, in the period 1990 - 2005**

-thousands-

Year	Total	North-East	South-East	South	South-West	West	North-West	Center	Bucharest
1991	31927,0	3064,0	9505,4	3512,0	2730,0	2936,8	3259,9	4659,3	2259,6
1992	26076,0	2520,0	7642,0	2864,0	2369,0	2344,0	2557,0	3798,0	1982,0
1993	24768,6	2176,1	7655,9	2614,1	2070,0	2101,7	2714,1	3517,2	1919,6
1994	23295,7	2052,9	6926,7	2385,5	1974,9	2220,1	2518,3	3495,5	1721,8*
1995	24111,2	1987,3	7733,7	2386,2	2044,1	2239,5	2542,2	3552,0	1626,2*
1996	21837,9	1894,9	7114,1	2207,3	1791,9	1892,0	2194,3	3337,7	1405,7
1997	19611,5	1615,8	6097,5	2135,3	1682,1	1712,1	1951,2	3020,2	1397,2
1998	19183,2	1642,1	6205,5	1961,1	1619,0	1749,9	1920,5	2831,2	1253,9
1999	17669,8	1440,4	5335,1	1789,1	1569,8	1827,7	1937,6	2627,8	1142,2
2000	17646,7	1467,8	5451,9	1470,5	1591,2	1878,1	1960,8	2560,3	996,1
2001	18122,0	1406,0	5602,0	1759,0	1745,0	1933,0	2118,0	2591,0	968,0
2002	17277,0	1332,0	5214,0	1623,0	1691,0	1909,0	2132,0	2316,0	1060,0
2003	17845,0	1451,0	5154,0	1704,0	1643,0	2034,0	2251,0	2431,0	1177,0

<b>2004</b>	18501	1490	5397	1782	1648	1939	2221	2665	1359
<b>2005</b>	18373	1436	5139	1807	1602	1836	2290	2782	1481

\* The Ilfov County and Bucharest

Source: *Territorial Statistics 2002*, INSSE, Bucharest, p. 327 – 336; *The Statistical Yearbook of Romania*, INSSE, Bucharest, 2002, p. 784, 2003, p. 839, 2004, p. 713, 2005, p. 740, 2006, p. 740

In the year 2005, it succeeded attracting 11% of the tourist circulation recorded at the national level. Concerning the average length of the tourists' staying in the tourist accommodation structures of the North-East Region, this was, at the level of the same period, around the average value of 2,31 nights, while the average length at the national level was 3,16 nights. This average length of staying was inferior to that registered at the national level but combined with a supplementary offer, from the tourist area, made the index of net utilization of the accommodation capacity be situated below the national media (31,78%), hardly attaining 28%.

#### **4. DEVELOPMENT DIRECTIONS OF THE TOURISM AND PREVISIONS IN THE NORTH-EAST REGION**

In the North-East region there is a tourist potential not fully exploited, and the tourism is one of those areas which do not require huge investments. For some projects resources from the European Funds can be obtained. The development of the tourism will determine a development of the region by increasing income and by stimulating of those activities related to tourism.

The tourism is able to contribute to the internal development of a region, to the reduction of the regional unbalances, to the geographical redistribution of the welfare from the metropolitan areas towards the poor, peripheral ones. Consequently, the tourism appears as a viable alternative of development of different regions.

For the rural tourist development there are financing programs for developing of those agro tourist lodgings. This may be an explanation for the great number of agro tourist lodgings, appeared in the last years, together with the change in the tourist services consumer's behavior.

The tourism still has a general infrastructure (particularly of the communication means) and support of the inadequate tourism. The services of information and promotion of tourism are insufficiently developed. There is not enough qualified staff in this field.

At the regional level, for a lasting development of the tourism, we can systematize as objectives:

- modernization of the tourists offers;
- developing regional tourist products;
- re-qualification of the labor force;
- improving the quality of the services;
- improving collaboration and public-private partnership;
- producing and delivering advertising promoting materials;
- setting up and expanding regional tourist information points;

One of the most important measures for economic development of the region is that referring to the development of the tourist infrastructure.

A long time planning involvement, supposes an approach of the tourist activity at the regional level. This supposes community involvement in the process of planning and developing, also in creating and developing tourism forms which determine benefits for the inhabitants. If they have advantages from the development of the tourism, then they will be more interested in supporting the tourism development in that particular region, willing, in the same time to preserve the tourist resources.

Among the measures required for the tourism development we mention (2):

- identifying and arranging tourist resources, attracting private households in practicing tourism;
- realizing training sessions at regional or local level for practicing some activities related to tourism;

- granting financial-banking assistance for obtaining credits for starting some tourist activities;
- supporting the private persons in obtaining homologate certificates of the tourist structures and professional licenses in the field;
- preparing local experts in tourism problems.

The development of tourism attracts, too, the development of other related areas. The notion of effects of multiplication established by receipts/expenditures, in the tourism, becomes relevant as a considerable number of another branches benefit of activities from the tourist sector, the multiplier's value may be interpreted as a stimulus-answer report in the context of the initial injection of expenditures in the tourism area.

The tourist multiplier underlines that an initial expenditure made by a tourist in a region or in a country, becomes successively income for another economic areas (agriculture, the processing industry, the industry of consumer goods, the construction and construction material industry, trade, services) related directly or indirectly to tourism until the moment when those financial resources leave the country, the reference zone or the economic sphere, generally under the form of tax payments, savings, (amassings), imports etc., called the leakages (3).

By attaining the targets of the tourism development we will reach the multiplying effect of this. The profitable effects will be noticed upon the level of the population's gains and upon other external areas of the tourist activity.

Even if the private structure is extremely active, the tourism cannot develop only through private initiatives, it also needs the support of the public institutions. The state can help in three directions: infrastructure, promotion and intelligent fiscal facilities.

The tourism agencies anticipate an increase in the number of the Europeans who will visit our country starting from 2007. The tourism operators rely on the curiosity of the old EU members of discovering the new states which adhered on the 1st of January 2007, but also on the elimination of the traveling restrictions. The foreigners may be interested mostly in the spa and rural tourism, very good represented in the county of Suceava.

According to a FPTR (Federation of the Employers in the Romanian Tourism) study the Europeans allocate larger and larger sums of money for holidays and journeys. In the E.U. countries, the transport infrastructure, which facilitates traveling for a touristic purpose, is very well finalized. The time spent on traveling until getting to the destination is more and more reduced, so that new destinations will capture the attention of those who practise the week-end tourism or the short holidays. "The alignment of the air and railway transport to the EU standards will lead to the increase in the number of the foreign tourists", was stated in the FPTR report. The study points out the fact that the EU citizens spend more money on holidays and journeys. Moreover, there is in Europe an ageing tendency of the population, which signifies more people with free time to travel around.

The economical agents in the field will be able to access, beginning with July 2007, European Funds with a value of over 2,6 billions of euro, for the tourism in Romania. The greatest part of the money, approximately 2 billions of Euro will come from The European Agricultural Fund for Rural Development concerning the improvement of the life quality in the rural zones and promoting the rural tourism. There will be the possibility of co-financing for the projects which are done by the small and middle sized firms.

Still, together with the activity of promoting Romania as an attractive destination for tourism and business, people will be able to access E.U. funds of about 127 millions of euro, through The European Fund for Regional Development. The projects which are developed based on this fund have as an aim the promotion of tourism and the development of the promotion centers. The rest of the co-financing, of about 23 millions of euro, for these programmes will come from the state budget.

The development of the tourism refers also to the permanent promotion of the regional and local tourism, and brings funds of about half a million euro that will be accessed from the European Fund For Regional Development, to which we add 60 millions euros from the state budget. The projects will have as an aim the restoration and the capitalization of the historical and cultural

patrimony, the capitalization of the natural resources and the increasing of the quality of services. Many economical agents from tourism are prepared with projects in order to access the European funds, so that we estimate the absorption degree will be higher, and the European co-financing will bring a substantial help for the development of tourism.

## 5. CONCLUSIONS

In the European Union, there were created territorial units of medium size called regions, with the purpose to absorb efficiently the European Union funds for regional development and to interpret and research the regional statistics. In Romania there are 8 development regions, of which the North-East region is the least developed. From the analysis of some indicators may be noticed that after a long period when the tourism had a descendent curve, in the last years this has had a positive evolution (the accommodation capacity has grown, the number of arrivals and of passing the night have grown too, only the index of utilization remaining at low levels).

The tourism may become an important component of the economy, which can determine important mutations in the territorial field, contributing to the social-economic growth of the region. The North-East region possesses an important potential for developing the mountain, cultural or religious tourism. Because of an underdeveloped infrastructure, the tourism from this region is not developed at the existing potential level. In the last years it is noticed a small growth of the tourism; it is estimated a continuation and even a stimulation of this tendency, concerning especially the attraction of tourists the European Union.

### NOTES:

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