



Addendum

The North-East Region of Romania

General background

Known also by its traditional name of Moldavia, the North-East Region of Romania is an area in which history, culture and traditions complement the attractive surroundings. This area has long been seen as a romantic and unknown outpost of Europe. Nowadays it is part of the eastern border of the European Union and NATO (the North-East Regional Development Agency).

From the economical point of view, the North-East Region in Romania together with the North-West Region in Bulgaria (which were analyzed within the TIPSE project) are the least developed regions in the European Union.

- An ageing population characterized by a strong demographic decline and the substantial presence of retired people, while the modest percentage of the active population is working mainly in agriculture, with low skills and wishing to migrate towards the western areas;

- A disrupted road network along the EU border, favouring the connectivity and accessibility of heavy bulk transport towards large cities or capitals, which tend to polarize the entire territory (Iași, Bucharest).

- The emergence of interstitial areas at different levels, which have a negative snowball effect on the further general development of the region;

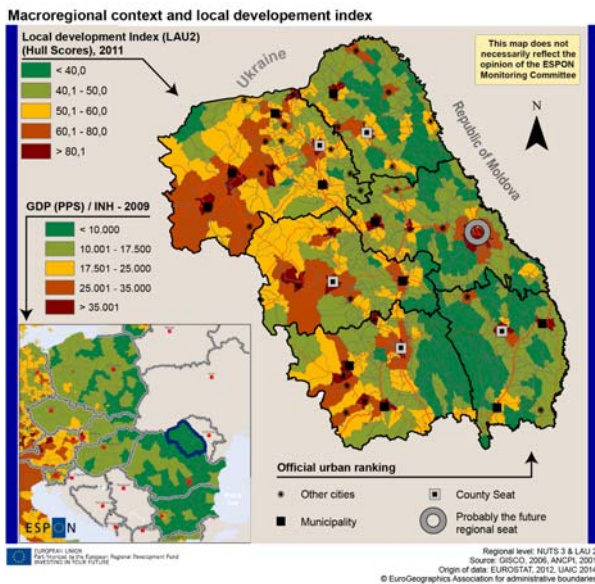


Figure 1

The North-Eastern Region of Romania is facing poverty challenges due to its peripheral position inside the European Union and within its own country. Therefore, because of the border effect in the east and the peripheral effect at all levels, this region is confronted with major challenges:

Urban typology of the North-Eastern Region

According to the ESPON TOWN Project, small and medium sized towns (SMSTs) have been divided into three categories, but only two of them can be found in the North-East Region of Romania: Medium SMSTs and Small SMSTs. The ESPON TOWN Project highlights that this North-Eastern Region includes 8 HDUCs (high density urban clusters), 7 medium sized towns and 37 small sized towns.

The third SMST subcategory, comprising urban centres above 50,000 inhabitants, but having population densities lower than 1,500 inh./sq.km., cannot be found in the North-East Region of Romania. Moreover, with very few exceptions, this type of city extends mainly horizontally and therefore it is not representative for the eastern European countries. Being part of the former communist states, they suffered from a forced urban transition, characterized by a distinct preference for compact cities, which

display clearly defined city limits and relatively high density.

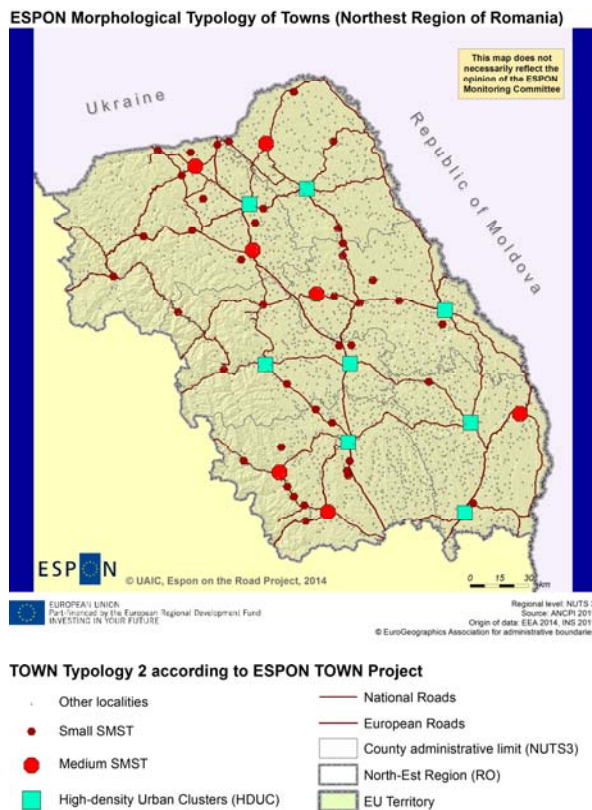


Figure 2

Medium SMSTs act as connecting urban centres at county level, contributing to spatial innovation diffusion from county capitals or larger urban areas towards the lower tiers of the urban system (rural areas). From this point of view, one of the shortcomings of the areas in the North-East Region is their spatially uneven distribution. Most of them have developed along the central north-south axis and the south-west extension within the Bacău County has subsequently been added.

Therefore, for the eastern half of the region (in fact the least developed) and for the mountainous parts of Suceava and Neamt, the role of Small SMSTs will be even more important, because their vitality is determining the social and economic integration of neighbouring rural

areas (compact cities), which present clearly defined city limits and relatively high density.

The role of SMSTs is very important in the North-Eastern region where the presence of only one important city at regional level (Iași) is counterbalanced by a diffuse distribution of smaller settlements. Because of this, there is an urgent need to structure an EU, national and regional strategy that can support smaller urban settlements.

This new strategy is crucial to enhance the future development of these areas and the well-being of their population. Innovation is a key component for the territorial development and social cohesion, but this key concept is rarely present in SMSTs. Isolated towns are losing their young population who can instead have an impact on innovation. Policy orientations need to be developed in relation to their regional/sub-regional context and based on their existing assets.

The development of SMSTs depends on the exploitation of comparative advantages as well as on the nature of relations with other surrounding urban and rural settlements. Forms of cooperation between local authorities at micro-regional level should be encouraged, as they can help to ameliorate wider changes in the spatial distribution of activities and services. This is particularly important at a time when many countries and localities are experiencing significant reductions in public expenditure. A flexible institutional setting, including behavioural patterns, a legal framework, power structures, local agents and their interaction procedures, policies and regulations may play a facilitative role in creating an encouraging environment for towns.