

INTER-MUNICIPAL COOPERATION IN ROMANIA: PRACTICES, NEEDS, AND OPPORTUNITIES

Abstract

This paper is aiming to analyze the situation of inter-municipal cooperation associations in Romania after 1989 and examines how inter-municipal cooperation works. Compared with others European Countries, in Romania the public administration system is highly centralized, this being an impediment in developing intermunicipal cooperation. Local communities can choose to join forces with other communities if this is the way to improve their efficiency and effectiveness. This paper's objectives are to identify key challenges and solutions on the best ways to improve the environment and practice of inter-community co-operation in Romania. Inter-municipal co-operation is not only important for the improvement of service delivery to the citizens but also as an instrument of capacity - building. In addition, inter-municipal co-operation can support reforms that can speed up the process of local development.

Keywords: Inter-municipal cooperation, citizen, service delivery, local development

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COOPERAREA INTERCOMUNITARĂ ÎN ROMÂNIA: PRACTICI, NEVOI ȘI OPORTUNITĂȚI

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Rezumat

Această lucrare își propune să analizeze situația asociațiilor de dezvoltare intercomunitară din România după anul 1989 și să examineze cum funcționează cooperare intermunicipală la noi. Comparativ cu alte țări europene, în România sistemul administrației publice este unul intens centralizat, acest lucru fiind un impediment pentru dezvoltarea cooperării intermunicipale. Autoritățile locale pot alege să coopereze cu alte comunități locale, în acest mod putând să-și îmbunătățească eficiența și eficacitatea. Obiectivele acestei lucrări sunt de a identifica principalele provocări și soluții cele mai adecvate pentru a îmbunătăți practica cooperării intercomunitare în România. Cooperarea intermunicipală nu este doar un instrument de furnizare de servicii, ci și un instrument de consolidare instituțională. În plus, cooperarea intercomunitară poate susține reformele, astfel încât procesul de dezvoltare locală să fie accelerat.

Cuvinte cheie: cooperare intercomunitară, cetățean, furnizare de servicii, dezvoltare locală



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1. INTRODUCTION

Local communities can choose to join forces with other communities if this is the way to improve their efficiency and effectiveness. For certain services, they can share expertise; they will find that a bigger territorial area than the municipality itself can be a more appropriate size for efficient service provision; there may even be a legal requirement for services like waste management, water supply, transport and economic development to be delivered through inter-municipal cooperation.

Research outline

The main questions of the research are:

- (1) Why do local authorities in Romania decide to cooperate?
- (2) Are there specific areas in Romania where inter-communal cooperation is more successful or more wanted?
- (3) Which instruments are needed to facilitate, stimulate or oblige the cooperation?

In order to pursue the objectives of the paper related to the inter-municipal association, primary sources (legal framework, strategy, national action plans, and official websites) as well as secondary sources (studies) of information will be used in the analysis.

2. THE FRAMEWORK FOR SUPPORTING THE CREATION OF INTERCOMMUNITY DEVELOPMENT ASSOCIATIONS

Practice has shown that the development based only on “top-down” strategies, implying decisions taken by the central government without a preliminary consultation with local communities, have not led to decreased disparities in living standards, on the contrary, the disparities between social strata, as well as between geographical areas, have generally increased. Today, local development policies and local initiatives are stronger and much more integrated into national and European strategies than ever before. We assist at a growing awareness that empowering the local level would not only improve effectiveness of central policies, but also enhance cohesion and assure favorable conditions for each local community to develop itself naturally according to its real needs. The concept of local development, seen as “a combination of the economic, social, and political factors which allow the capitalization of territorial potentialities on the basis of local resources with a view to its adaptation and development ” (Suciu, 2000, p.109), also implies cooperation and partnership between different agents,

public or private, as many problems cannot be solved without an integrated approach, as well as the elaboration of a common, coherent development strategy.

The IDA is a comprehensive framework that contributes to explain how local governments in fragmented metropolitan settings can address the provision of local public goods, externalities, and common-pool resource issues using decentralized governance solutions. The incentives to voluntary cooperation vary depending on the nature of the problems to be handled, the geographic configuration of local governments, the size of the group involved in the solution, the availability of public entrepreneurs to promote the solution, and the statutory framework for local government cooperation (Feiock and Carr, 2001; Feiock, 2009). One of the challenges in extending the framework to a European context is to account for how different national institutional contexts structure the configuration and the preferences of the actors, the selection of the tasks for collective action, and the arrangements available to solve collective action dilemmas (Antikainen, 2005).

3. ROMANIAN LEGISLATION

In Romania, the arrangements for association and cooperation of local authorities and / or public or private actors in the territorial administrative units are relatively limited. The basic models that can make such combinations are IDAs (ADI) and Local Action Groups (LAGs).

The Romanian authorities have become interested in supporting the association between administrative-territorial units to form intercommunity development associations (IDA), this time trying to assure the legal framework to support their formation.

A first step was made with the provisions of Local Public Administration Law No. 215/2001, which authorizes the Local Public Administrations to set up for themselves Contracts of Association based on the provisions of Government Ordinance No. 26/2000 concerning Associations and Foundations. A next step was made in 2006, with the provisions of Law No. 286/2006 (amending and completing Law No. 215/2001), according to which, the intercommunity development associations represent "cooperation structures with legal private law personality, established, under law, by the administrative-territorial units with a view to carrying out in common some development projects of zonal or regional interest or to providing in common some public services" (*Article 1, Section 2, Paragraph c*). The Law also stipulates that "The intercommunity development associations are financed by contributions from the local budgets of the member administrative territorial units, as well as from other sources, under law" (*Article 111, Section 1*) and that "The Government gives support to the association of administrative-territorial units through national development programmes. These programmes are financed annually through the state

budget and are considered as distinct within the budget of the Ministry of Interior and Administration Reform, under the law regarding local public finances" (Article 111, Section 2). Therefore, this new type of association brings the capacity to the local councils to meet in the form of a legal entity for purposes to fix, on a territorial regrouping scale, their common objectives and priorities, the governmental support being necessary in this initial phase (Ministry of Administration and Interior, 2007).

The legislative framework for supporting the creation of intercommunity development associations also includes Frame-Law on Decentralization No. 195/2006, Law on Local Public Finances No. 273/2006, as well as Law No. 188/1999 regarding the Status of Public Servants, amended by Law No. 251/2006.

LAGs are defined by RDP (Ministry of Agriculture and Rural Development, 2012) as "entities representing public - private partnerships, consisting of representatives of the public, private and civil designated for a homogeneous rural territory that will have to meet a number requirements on the composition of the territory covered and implement an integrated strategy for territorial development".

4. STATUS OF ROMANIAN ASSOCIATION

The dynamic of IMC establishment

In a study elaborated by the Ministry of Administration and Interior in 2010, the total numbers of IMC was about 230 IDAs. According to the Ministry of Justice data base the number of IMCs. One aspect is very clear, there is no evidence about the concrete number of IMC at this date.

Until the law on Associations of Intercommunity Development was adopted, the local communities used to cooperate under the provisions of the Law of public administration no. 215/1991, but mainly under the provisions of Private Sector Laws, such as NGOs or Foundations. According to the same study, the year of created an association was before the law concerning IMC in Romania was approved, thus first 3 associations were created in 2001. The highest rate of establishment was in 2008, when 118 associations were created. In the figure bellow we present the evolutions of IMC in between 2001 and 2010.

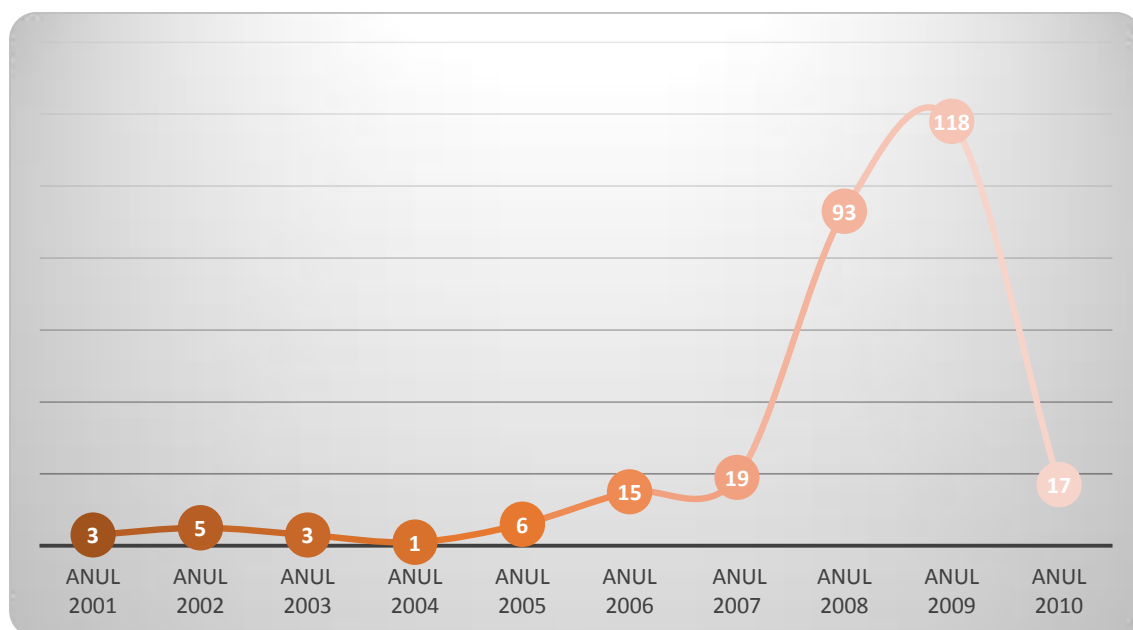


FIGURE 1. EVOLUTION OF IMCs IN ROMANIA

Source: Study of Ministry of Public Administration and Regional Development, 2010

As it is seen in the figure above, almost half of the IDAs were created in 2009, the main reason was the opportunity given by EU Funds and the conditions imposed by the government for grants accession.

5. REGIONAL PATTERNS OF IMC

In a study of Ministry of Public Administration and Regional Development elaborated in 2014, the situation of IMC is not very good, still there are regions without IMCs, one of this region is represented by the Sout East part of Romania.

In the Western and Center part of Romania there are many IMCs, especially in the historical provinces of Transylvania (Ardeal, Banat, or Crișana-Maramureș). As is seemed in the figure below, more than half of the IMCs are located in this part of the country. The main reason for this concentration is given by cultural factors and slightly different administrative traditions. The regional pattern is as strong if we use the eight development regions as a structuring factor, since three of them (west, northwest, and center) actually cover the historical provinces named above.

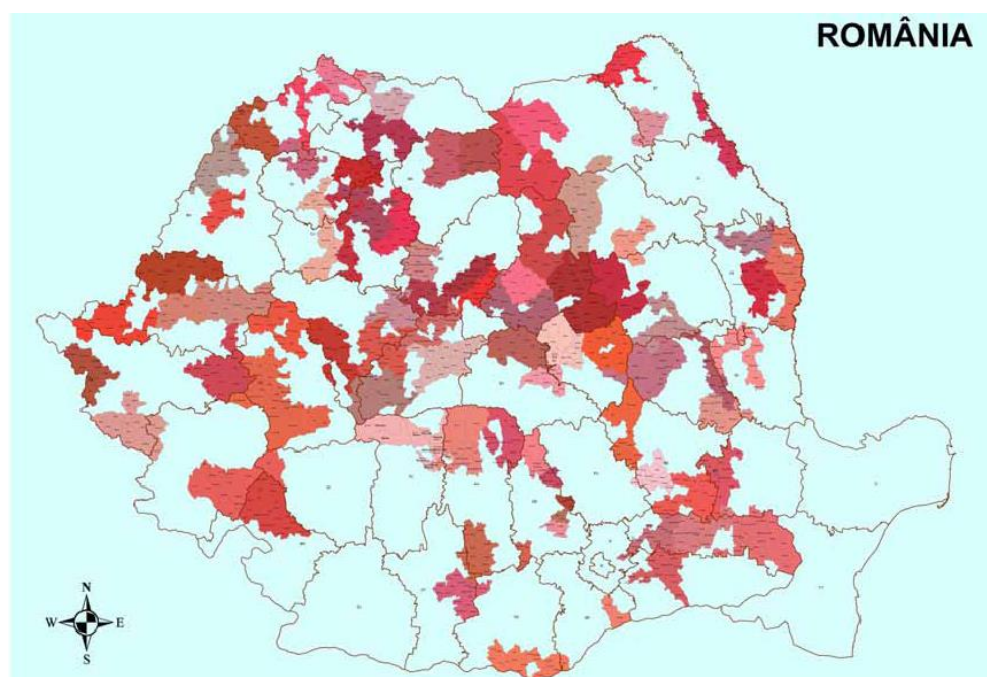


FIGURE 2. IMC IN ROMANIA IN 2014

Source: PATN study, MADR, 2014

Size of IMC Bodies

Administrative-territorial units should be considered when assigning a set of interrelated indicators. They can be cultural, social, economic. At the same time the number of members in an association depends on the technical constraints or geographical (two communities will be associated, but are separated by a mountain; this is a hindrance to the association).

The analysis showed that associations of local governments in Romania range in size from 2 to over 30 members. Very large IMC seems to be an exception, but it is an exception related to a certain incentive for cooperation: the need to establish county level ecological landfills by 2010 (required by the EU).

6. AREAS OF COOPERATION

Most IDAs in Romania have multiple purposes. Thus, the associations surveyed in one research study conducted by the Ministry of Administration and Interior the results are: 67 of the respondents have listed for more than 10 purposes, 58 associations listed between 5 and 9, and 86 associations mentioned between 2 and 4 purposes. According to same research, in Romania there are only 57 single-purpose associations. There are municipal services that many municipalities are not able to deliver although they have the responsibility, or service provision is inadequate. Insufficient financial

resources or lack of capacity are frequently cited reasons for weak service delivery. In addition, many municipalities have small population and subsequently limited ability to individually support big infrastructure projects (waste water, water supply, etc.) and raise private investors' interest. Inter-municipal cooperation enables thus municipalities facing these kinds of challenges to join forces with other municipalities. The aims of the associations may be to jointly carry out development programs of regional or zonal interest or common delivery of public services (for example services of public utilities, social assistance services, cultural, tourism, youth, etc).

7. WAY OF COOPERATION

According to Frame-Law on Decentralization No. 195/2006, the IDAs are given the power, yet limited, to act, to get involved in an active manner in developing themselves by mobilizing the available resources (financial or human). Besides the financial resources coming from the local budgets of the member administrative-territorial units, the IDAs are given the possibility to finance themselves from other sources, under law. The human resource is also a very important key-element in the functioning of the IDA. Professionals, who know how to elaborate projects or development strategies, who are acquainted with the problems of the community, who can offer assistance and facilitate the communication between the local public authorities, NGOs and enterprises, are highly required.

In some cases partnerships are to be regarded as an inter-administrative project and/or the cooperation is directed by above local policy issues and governments. Cooperation shifts from the atmosphere of voluntariness and autonomy to different levels of (in the far extreme) mandatory and supra-imposed cooperation.

In practice, several planning initiatives are in process. According to respondents, strategic projects can contribute to inter-municipal cooperation, to the extent that the funds can help the realisation of short term developments. Case analysis shows that good process management is an important success factor, and supra-local authorities can be an important driver for inter-communal cooperation in this setting.

8. CASE STUDY - BAIJA MARE URBAN SYSTEM ASSOCIATION

In April 2012, the Metropolitan Area of Baia Mare City has been legally established, by modifying the legal documents of Baia Mare Urban System Association, in accordance with the law and also, by expanding the territorial partnership. The Baia Mare Metropolitan Area is functioning as an intercommunity development association, Baia Mare serving as the polarizing center, which influences

the nearby communities with its economic and cultural diversity. Also, in terms of economic development, the neighboring towns mainly provide land and labor for entrepreneurs who want to develop their businesses or make new investments.

Baia Mare Metropolitan Area is composed of 19 municipalities:

- Baia Mare City;
- Five towns: Baia Sprie, Cavnic, Seini, Șomcuta Mare, Tăuții Măgherauș;
- Thirteen communes: Cerneș, Cicârlău, Coaș, Copalnic Mănăstur, Dumbrăvița, Groși, Mireșu Mare, Recea, Remetea Chioarului, Satulung, Săcălășeni, Valea Chioarului, Coltău;
- The total population of the metropolitan area, according to the 2011 census, is around 220,000 inhabitants, and the total surface is 1,388 sq km;

The creation and development of Baia Mare Urban System (BMUS) was necessary from many points of view, the most important are:

- The creation of a favourable environment to attract the major investments;
- The defining of a common strategy concerning the durable development of BMUS (economic, social, environment);
- The development of certain communitarian projects with European funding;
- The achievement of some investments concerning the infrastructure (utilities, transport, roads...);
- The creation of a transparent and competitive public administration to efficiently collaborate with the affair environment and local community;
- The cultural patrimony and local identity conservation;
- The increasing of socio economic and territorial cohesion.

In the 2007-2013 programming period, I.D.A. "Baia Mare Metropolitan Area" has implemented a number of projects with an intercommunity impact, with the role of increasing the management capacity of the association. The association elaborated his own development strategy, which is very well drafted and respond to the needs of the members. The website of the association is attractive, with information both in Romanian and English languages, is all the time up to date and use social media instruments.

Problems encountered:

- perception of the actors involved, especially from the small localities, on the general purposes of the Association.
- funding of the Association budget - some of the component administrative units do not allocate their share, according to the Statute.
- lack of financial resources in the members budgets.

9. CONCLUSIONS AND RECOMMENDATIONS

Excessive fragmentation of local government units and related territorial administrative obviously hampers communication and cooperative networking. If joint partnerships can distinguish two distinct directions: strategic partnerships - their role being more director to establish goals and priorities; and operational - in this case their role is rather one of implementation of programs and projects.

Report FOCI (ESPON, 2011) identifies three basic types of cooperation: (1) cooperation focused on the implementation of clear infrastructure, waste management issues, and so on; (2) cooperation in spatial planning processes - which focuses on multiple levels of administrative units; (3) The cooperative aims to create a new level of government / governance to reorganize several administrative units into one larger unit with higher representativeness at national and international level.

The intercommunity development associations represent a good means to promote local development, encourage collaboration between different administrative-territorial units and support an integrated development by taking into consideration local needs and potentials.

Despite all the benefits, there are potential barriers that can challenge a community's ability to embrace intermunicipal cooperation as an achievable and worthwhile means to provide services. Sometimes, a *simple lack of trust* between the potential partnering communities can stand in the way of cooperation efforts. This may be brought on by a perception that one community will be taken advantage of, or that the plan itself fails to bring about a win/win outcome. *Personalities and disputes between local officials* in neighboring communities can hamper cooperation efforts as well. A dispute, regardless of its significance, can make it difficult to bring the relevant parties to the negotiating table. *Inexperience and a lack of legal knowledge* also threaten cooperation by discouraging even an initial exploration of opportunities.

These barriers are not insurmountable and should not deter interest, but acknowledging them can be a first step in working toward a successful partnership agreement.

Next steps for a better cooperation.

- Nevertheless, more governmental and legal support, as well as a clear guideline for their setting up, functioning and administration is required. The Government must promote a proper legal frame, in order to stimulate the intercommunal cooperation.
- The Central Authorities must allocate financial resources
- At local level, there is a need for more cooperation between different municipalities, from the institutional, territorial and economic point of view, to make inter-municipal development sustainable.
- In addition, the analysis pointed out a need of impulse through examples and good practice, an imperious need for experienced professionals (local development agents),
- Advance a culture of cooperation. Successful cooperation depends on the ability of local officials to build and maintain relationships with one another. To accomplish this, interaction at the local level should be encouraged through strong leadership at the State level. All State agencies that deal with local government issues on a regular basis have a unique opportunity to introduce new and enhanced lines of communication among local officials statewide.
- Focus on offering practical resources. Much can be achieved by merely providing local officials with effective and practical tools that will allow them to work through the process of collaborating with each other, thus a handbook for practitioners in IMC should be developed, development of a continually updated inventory of inter-municipal cooperation examples could be helpful in benchmarking and best practices.

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