

SUSTAINABLE DEVELOPMENT OF RURAL AREAS OF SOUTH-EAST REGION OF ROMANIA

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Abstract

The South-East region could benefit from the rural area. Agriculture has an important share in the region's economy, 40.4% of the region's employed population activating in this sector. The agricultural land represent 65% of the total area of the region and the private sector holds the largest share of agricultural land. The South-East region ranks first in the country, regarding area of the vineyards, holding 40.3% of the country's wine-growing area. There are essential elements in the region that can lead to a positive evolution regarding rural development, if European funds for agriculture will be drawn and used efficiently. The paper proposes an integrate analysis of current situation of South East region by means of data and statistics provided by international and national statistics institutions. The purpose of the paper is to evaluate the evolution of Romanian South East region under the influence of European funds for agriculture. It is good to understand the reason of current evolution in order to forecast the future evolution.

Key words: sustainable development, efficiency, agriculture, rural development

INTRODUCTION

The theory of sustainable development is relatively new, the concept of sustainable development taking shape when the subject of the environment was in the foreground of the political debates. At international level, it was decided to treat the environmental matters through collective measures based on an adequate international framework. This action framework is being in a dynamic evolution, including mandatory or optional legal measures. The first international meeting was in 1972 at the Stockholm Conference concerning the Human Environment [5]. After eleven years from the Stockholm Conference in 1983, the United Nations set up the World Commission for Environment and Development, known as the Brundtland Commission. This commission worked out and published in 1987 the document titled Our Common Future (Brundtland Report) [1] and defined sustainable development as development that meets the needs of the present generation, without compromising the ability of future generations to satisfy their own

needs. According to this first official document, sustainable development has three dimensions: ecological, economic and equity. In June 1992, it was held the United Nations Conference on Environment and Development in Rio de Janeiro, where it has been recognized the need to integrate economic development and environmental protection into the goal of sustainable development, and put forth the increasing importance of international environmental law, as mechanism of codification and promotion of sustainable development.

An evaluation of the progress achieved five years after the Rio Conference (New York, 1997), highlighted a number of shortcomings, particularly related to social equity and poverty.

The United Nations Summit on Sustainable Development, which took place in Johannesburg in 2002, had as main results:

- Johannesburg Declaration on Sustainable Development
- The implementation plan of the World Summit on sustainable development.

Lester R. Brown [2] is the initiator of a number of studies, and the annual reports concerning the progresses on the way to structuring a sustainable society: The State of the World or Vital Signs.

Lester R. Brown draws attention, in the paper Plan B 2.0 on the conflict between industrial civilization and the environment, and mentions a few aspects such as the proclivity towards the depletion of natural resources of energy, raw materials and food, the consumption of renewable resources at a rate higher than their capacity of regeneration and physical deterioration and pollution of some vital environmental factors: water, air, soil [2].

The UN Conference on Sustainable Development - UNCED from Rio in 1992 had a preoccupation with ensuring a renewed political commitment to sustainable development, evaluating the progress made to date and blanks in the results implementation [6].

In 2015, in New York there have been adopted the so-called Sustainable Development Goals, promoting sustainable development in all societies of the world [14].

The United Nations Educational Organization (UNESCO) identified 11 (eleven) thematic areas for Education for Sustainable Development, including Area 8: Sustainable Lifestyle. This thematic area considers that the processes of production and consumption influence the global economy, and the choices of citizens as consumers can have important consequences. The adoption of sustainable attitudes and applying the principles of sustainable development in daily life can have a major impact at local but also global level, from a social, economic and environmental point of view, at present and in the future. The education for sustainable development is a process of transforming the manner in which people interact with the world, a process of educating consumers concerning the products they buy [15].

Rural sustainable development is an even newer concept, which involves actions at local level, and furthermore, at the level of quite isolated rural settlements.

Rural development refers to village and rural settlements somewhat isolated and intends to

improve the quality of life through development and innovation. Sustainable development focuses on careful consumption of resources, the relationships with the environment and social equity. Sustainable rural development combines the above elements, through behaviors friendly towards the environment and towards the inhabitants of rural settlements [4].

MATERIALS AND METHODS

The purpose of this research paper is to develop an analysis about sustainable development of South-East region from Romania. For this purpose, there have been used studies and reports of local, national and international institutions and communities. The analysis is a quantitative research using indicators and statistics of some institutions such as Eurostat, National Institute of Statistics of Romania and some national and community institutions that deal with accessing and absorbing European funds at rural level.

The purpose is to understand whether the absorption of European funds has contributed or not to the sustainable development of rural communities, laying emphasis on the south-eastern region of Romania.

The analysis uses the evolution of the demographic and economic indicators to explain the positive or negative evolution of the South-East region of Romania from the rural sustainable development point of view.

RESULTS AND DISCUSSIONS

Rural development in Romania is a very important theme since Romania ranks 6th in Europe from the perspective of agricultural area employed [3]. The purpose is to create a competitive agri-food sector that will support sustainable development at national, regional and local level. The reason is the betterment of the quality of life and providing for living conditions in rural areas close to those in urban environment. Another important goal, also supported by the EU, is the promotion of local and green production [7].

Attracting the European funds for sustainable rural development was started during the time

of financial programming 2007-2013 and is continuing in the period 2014-2020, according to Table 1.

Table 1. Implementation level of RDNP 2014-2020 in 2019 (Mil euro)

RNPD 2014-2020	Allocations	Contraction rate %	Payments (Amounts reimbursed)	Payment rate %
Priority 1	1,989.79	81.8	4,236.44	52.7
Priority 2	1,139.51	51.2		42.7
Priority 3	2,718.62	52.8		52.8
Priority 4	809.15	53.3		19.3
Priority 5	2,575.41	87.1		40.4
Technical assistance	209.10	35.8		33.5
TOTAL	9,441.58	67.7		44.87

Source: [8].

In the case of RDNP 2014-2020, in December 2018, all indicators were achieved, having reached over 85% of the value of the goals for all priorities.

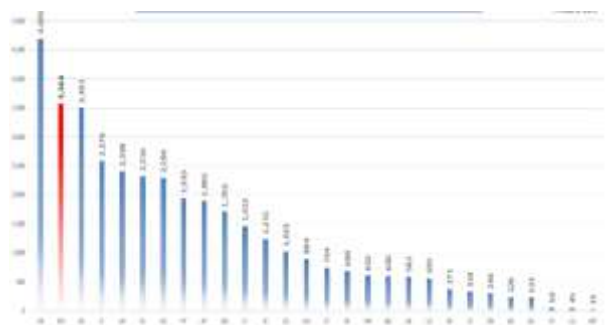


Fig. 1. The payment situation of EU to member's state 2014-2019
 Source: [8].

According to Figure 1, it is noted that Romania ranks 2nd after France in the payments reimbursed by the EU within the Common Agriculture Policy. This correlates with the indicators in Table 1.

Romania has an area of 238,000 km², out of which 87% is represented by the rural area. Agricultural lands represent 57%, and 45% of the population lives in rural environment. The agricultural sector supplies 30% of the jobs, six times higher than the European average.

The weight of the agricultural sector in the Romanian economy is 6.6%, being three times higher than the European average, according to the Eurostat 2017 report.

Between 1995 and 2016, the contribution of agriculture to the formation of national GDP registered a major decrease, from 14.7% in 1995 to 4.7% in 2016, given the fact that the weight of the labor force employed in

agriculture had a value very close to the one registered in 1995. In 2015, the weight of the labor force in agriculture, in Romania, was 25.9%, being the highest weight in the EU, whose average was 4.4%. 17 Eurostat – Land Cover Statistics.

The average labor productivity accounts for 30% of the European average, a major problem of the Romanian economy even since the Revolution, as well as with a low harvest yield, even though Romania is among the main exporters of corn and wheat at global level. This is thanks to the size of the available agricultural area.

The principles at national level also apply at regional level. Thus, the Southeastern region is the second largest of the 8 regions of Romania, having 35,762 km². The area of the region accounts for 15% of the total area of the country.

The administrative structure of the region includes 6 counties: Galați, Brăila, Buzău, Vrancea, Constanța and Tulcea.

In the South-East region, due to the relief conditions (the plains, the Danube river and the vicinity with the Black Sea are prevalent) the agricultural activities have been developed.

These did not affect the environment significantly, in particular in the rural environment. Nevertheless, there are problems in the hill and mountain areas of Vrancea, Buzău and Galați counties, where deforestation has affected the stability of the lands [13].

The population of the region is predominantly urban, except for the counties of Vrancea, Buzău and Tulcea, where the population is prevalingly rural. The percentage of the rural population is 35.1% in Braila, 30.6% Constanta, 43.8% in Galați, 61.3% Vrancea, 59% Buzău and 50.7% in Tulcea. The rural population by region numbers is 44.71%, and at the country level is 44.85% (Fig. 2).

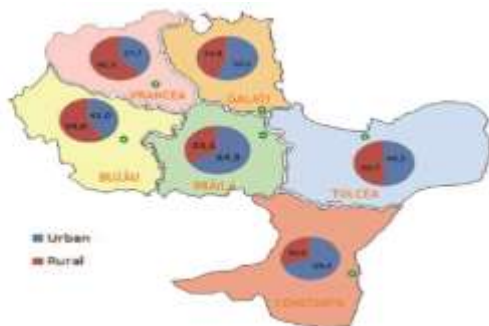


Fig. 2. Structure of the urban and rural population in the South-East region
 Source: [13].

The number of inhabitants of the South-East Region registered in the 2011 census was 2,545,923 persons, accounting for 12.6% of the population of Romania. The same thing occurs in rural areas. It is seen that in the last 12 years the population in the rural environment has diminished continuously, the main cause being domestic and international migration, due to the low income per capita in the rural area.

The population occupied in the South East region is 40% distributed in agriculture. The agricultural lands were about 65% of the area of the region, and the arable area represents 78.2% of the total agricultural area.

In the South-East region, agriculture and forestry represent 44.8% of the total activities in the region. Thus, agriculture plays an important part, remaining an area for attracting investments. Furthermore, the area is backed up by subsidies, taking into account the fact that half of the fertile land in Bărăgan Plain are located in the South-East region. The private sector owns most of the agricultural land and, obviously, produces most of the harvest. The South-East region holds, through Vrancea county, the first place in the country regarding the area of the vineyards.

However, despite the high agricultural potential, the processing capacity of agricultural products is low, due to the obsolete technologies, as well as the low labor productivity.

The harvest in the region as a value accounted for 13.68% of the agricultural production at national level in 2007, reaching in 2016 at 15.86. The region ranks 2nd in the country as concerns the total value of the harvest in 2016 compared to position 5 in 2007.

The region participates by 10.6% in the formation of the national domestic product in 2018, on the decrease from 2007, when the contribution was 11.55%. This decrease is due in particular to the economic evolution of the other regions, the predominantly agrarian structure, with the lessened competitiveness of the South-East region but also to the disparities between the counties that make up this region. (Constanța has a weight in GDP of 4.58% - ranking the 2nd after Timis, and Tulcea has a weight of 7% in the GDP of Romania).

Table 2. Evolution of GDP/capita, 2007-2013 (euro per capita)

	2007	2008	2009	2010	2011	2012	2013	2013/2007 %
SE Reg.	4,680	5,380	4,440	4,580	4,860	5,060	5,380	114.9

Source: calculated on statistical data from [10].

Table 3. Evolution of GDP/capita, 2014-2017 (euro per capita)

	2014	2015	2016	2017	2017/2014 %
SE Reg.	5,980	6,020	6,370	6,800	113.7

Source: calculated on statistical data from [11].

According to statistical data, the GDP per capita of the South-East region was 38% of the European average, ranking sixth in Romania. GDP per capita being lower than the European average (75%), the South-East region is still considered a less developed region.

The general tendency is for GDP growth, the region still not equaling the growth levels of the national economy, the regional GDP per capita remaining below the national average.

The regional GDP on average increased by 2.6, in 2016 by 3.8, in 2017 by 4.3, in 2018 4.5 and in 2019 by 4.7%. However, the GDP in agriculture, forestry and pisciculture had another evolution: it fell off by 9.3 in 2015, it went up by 5.1, in 2016 by 1.8, in 2017 by 1.9 in 2018 and by 1.9 in 2019 [9].

Another element of sustainable development at rural level is the situation of roads. Unfortunately, this is quite bad, 63% are roads with simple revetments.

The connection to the systems for drinking water distribution is lower in the rural environment (86%) and the same is the case with the connection to the sewerage system, 35% in 2011 [13].

All the elements of rural sustainable development can be supported by the Common Agricultural Policy. Accessing European funds is an opportunity for the future development of the region.

According to the Development Strategy for the South-Eastern Region, there are several priorities on which could be based the European funds attraction [13] Priority 2: Creating conditions favourable for the development of the investment environment, - Supporting SMEs in order to enhance competitiveness - and Priority 7: Modernizing the rural economy, 7.1 Improving the competitiveness of agricultural enterprises, zootechnical and agri-food farms in a system production channels, by entering innovation and food safety and certification systems.

The counties in the South-East region attracted funds from RDNP, in the period 2007-2013, in the amount of 2,674,467,242.56 lei, according to Figure 3.

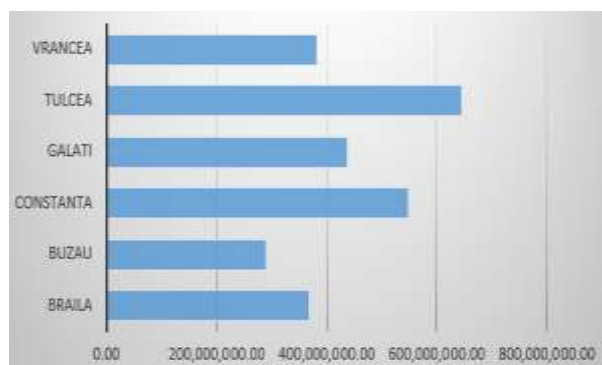


Fig. 3 Payments from RDNP 2007-2013
 Source: Data from [12].

For the period 2007-2013, the county that attracted the most funds from the RDNP was Tulcea, followed by Constanta and Galati. The weakest position was Buzau, with payments totalling 289,178,694.9 lei, which represents 44.72% of what Tulcea achieved.

For the period 2014-2020, the data are collected until 31.03.2020. It can be observed that the hierarchy of counties in this period is the same as that of the period 2007-2013. Tulcea is in first place, and Buzau attracted 39.27% of the funds attracted by Tulcea.

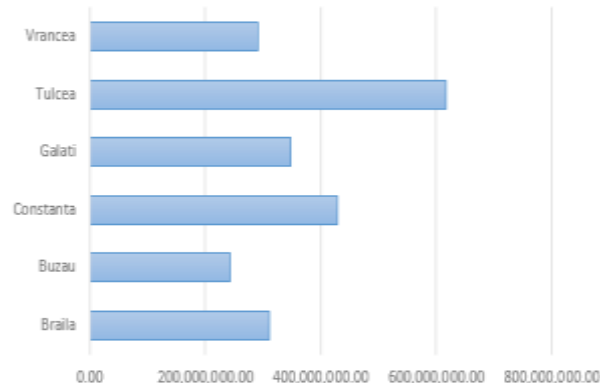


Fig. 4. Payments from RDNP 2007-2013
 Source: Data from [12].

Until 31.03.2020 South-East region received payments of 2,237,717,637.07 lei.

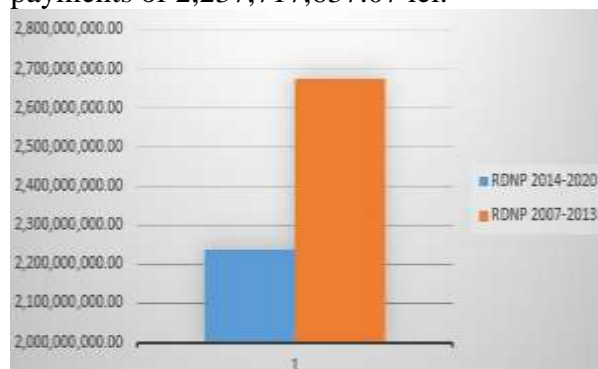


Fig. 5. Payments from RDNP 2007-2013 vs RDNP 2014-2020
 Source: Data from [12].

The payments from 2014-2020 are only 83.66% of the payments from 2007-2013 (Fig. 5).

It is fair that there are still 8 months until the end of the year, the period in which EU payments usually increase, the final percentage of absorption of these funds may be higher.

However, it would have been desirable that absorption at this time to be higher.

This shows that we have not yet succeeded in the region to develop our strategies for attracting CAP funds, strategies that should stimulate companies but also farmers. However, without these funds, rural development in the South East region would have been much reduced.

CONCLUSIONS

The impact of European funds in the rural environment is major. In addition to the infusion of over 7.6 billion euros in the

development and modernization of agriculture and rural infrastructure, European funds have ensured a rise in the standard of living for those who live in the rural area. There have been made investments in services and utilities. Up to the present day, 75,000 farmers and 2,787 agricultural undertakings benefited from the allocated funds.

The funds absorbed have been invested in protection against flood, modernization and rehabilitation of the irrigation infrastructure.

Over 100 thousand jobs were created in the rural area, over 3,606 km of agricultural and forestry roads built for 3 million inhabitants in the rural area. The funds have also been used in order to create the water supply and sewerage system.

There have been started 3290 non-agricultural SMEs and there have been backed up projects implying tourism activities that generated jobs, all supporting the sustainable development of rural economy.

The need for sustainable development of the Romanian rural area is still utterly high. It involves the development of education, namely, the support of schools even though the number of children does not come under the limits imposed at national level. It is known that the Internet network is developed in Romania, but in rural environment, especially in isolated rural localities, access to the Internet is expensive for the locals. Therefore, facilitating communication through the use of the Internet will produce positive results from the economic, social and psychological point of view. The sustainable development challenge is an enhancement of the level of agricultural productivity, without endangering the environmental factors (air, water, soil quality, biodiversity). It is considered that the cooperation between farmers, increase in the level of farmers' training and growth of the technological endowment level of the farms can contribute to reaching sustainable rural development. For the sustainable development of Romania, considered the most rural country in the European Union and, implicitly, of the South Eastern region, it is necessary to continue the efforts to attract European funds for agriculture, along with a clear vision of development and conservation of the rural

environment. That is why we should also make use in the following period 2021-2027 of the 365 billion euros that the European Union has allocated to the CAP. Romania will be able to access 20.5 billion euros, 13.3 billion for direct payments, 363 billion euros for market support (EAGF) and 6.7 billion euros for rural development (EAFRD) [12].

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