



THE NATIONAL COMMITTEE
FOR THE PREPARATION OF THE SECOND UNITED NATIONS
CONFERENCE ON HUMAN SETTLEMENTS

HABITAT II
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PREAMBLE

1995 is the sixth year since Romania has firmly committed itself to radical reforms, directed toward the development and consolidation of a state ruled by law and of a market oriented economy.

In a changing world, a wide range of structural changes is taking place in all the components of the economic and social structures of the country.

In this process a new model of development is being shaped, thoroughly different from the pre-1989 one.

The previous "socialist-centralized" model considered economic growth and its quantitative performances as the unique expressions of a prospering society. Human settlements were governed along administrative-burocratic decisions. All this led to the continuous reduction of available resources and to the deterioration of the quality of life in human settlements.

As of 1990, when the transition from a highly centralised command economy to a market-oriented one started, a new framework is being created to provide for decentralized, autonomous social structures, for a participative decision-making process, for new responsibilities at government and non-government levels, as well as for a large choice of options and freedom of expression.

In this context, **the sustainable development of human settlements** is being redefined, taking into account all the temporal and spatial dimensions which preside over their development. Human settlements are the focal points where all the policies concerning the human dimension converge, capturing the complexity and diversity of individuals. Quality of life in the human settlements is impacted by the economic, technical, social and political development of the entire society.

At the same time, human settlements are centres creating cultural values and, as such witnesses of the past cultures and traditions, of the individuals, communities and of the nation as a whole.

In this perspective, the sustainable development of human settlements relies on the interaction between the individual, the natural and the built environment. Economic and social progress are central for improving the quality of life in human settlements and for securing their sustainable development. Housing as a key component of the built environment requires a comprehensive and responsible approach.

The **National Report** concerning "The Sustainable Development of Human Settlements and a Decent Home for Everyone" gives a global overview of the human settlements in Romania, of the difficulties which the country is facing in the transition period, of the main directions along which their sustainable development should take place.

The report is also an opportunity to assess the actual problems of human settlements, to increase the awareness of decision-makers and of the various components of the civil society as to the difficulties to promote their sustainable development.

Emphasizing - in a democratic and transparent way - the progress made so far in implementing the economic and social reform, highlighting the existing discrepancies between the aspirations and the actual means, as well as presenting all the relevant

information concerning the present situation, are necessary steps for eliminating distortions and reversing negative trends. At the same time, this is an approach likely to lead to **realistic objectives** for the development of human settlements and for providing adequate housing conditions.

A. THE PREPARATORY PROCESS OF THE SECOND UNITED NATIONS CONFERENCE HABITAT II - ISTANBUL 1996

I. THE PREPARATORY PROCESS AT NATIONAL LEVEL

1.1. The National Centre for Human Settlements (NCHS) is the focal point of the preparatory process for the second United Nations World Conference - Habitat II.

The NCHS was established by Government Decree no. 515/1991, (completed by GD no. 347/1992). Its main objectives are related to the elaboration and implementation of the National Housing Strategy (NHS).

1.2. The National Committee for the Preparation of the United Nations World Conference - Habitat II was created in March 1995.

Presided by the State Minister, Minister of Work and Social Protection, the Committee includes representatives of government and non-government institutions and organisations, acting at various levels of decision making, capable of contributing to the formulation of strategies and policies concerning the development and management of human settlements:

- representatives of the President of Romania;
- representatives of the Parliament of Romania (the Senate and the Chamber of Deputies);
- representatives of the Government of Romania: from the Ministries of Public Works and Regional Planning, for Work and Social Protection, for Environmental Protection, of Foreign Affairs, of Health, of Education, for Youth and Sports, of Commerce, and also of the Department for Local Public Administration and the National Commission for Statistics;
- representatives of the local administration (the Federation of Municipalities, the Federation of Townships);
- members of NGO's, professional associations;
- representatives of the private sector (in design and building activities);
- academics, researchers.

Within the National Committee, seven Working Groups were created, established in accordance with the corresponding Urban Indicators and Housing Indicators modules as recommended by the Preparatory Committee for the United Nations World Conference - Habitat II. Each of the Working Groups was coordinated by a member of the National Committee most knowledgeable in the respective field.

The Secretariat of the NCHS acted as the "liaison" body between the Working Groups and the institutions represented in the National Committee, during the entire

preparatory process. The NCHS has also co-ordinated the process of identifying, selecting and presenting Romania's set of Best Practices.

1.3. The National Committee endorsed the task of preparing the National Report concerning "The Sustainable Development of Human Settlements and a Decent Home for Everyone" and the National Plan for Action.

The contents of the National Report was established in accordance with the outline for national Reports, and was subjected to a large consultation in order to identify the objectives of the national Plan of Action.

1.4. The National Committee initiated and co-ordinated a series of actions with a view to enlarging the scope of the analysis in urban and housing issues:

a) An **extensive set of Urban Indicators** was prepared in the city of Targoviste, which can be implemented as a program for monitoring and evaluating urban development policies.

b) A set of **Key Indicators** was prepared for Bucharest (capital city of Romania) and Iasi (in accordance with the UNCHS Resolution 15/6).

c) An **extensive quantitative and qualitative analysis** was prepared, as Romania's contribution to the Regional Monograph and Housing Indicators Program of the countries in transition in Central and Eastern Europe.

1.5. Other actions dedicated to the United Nations Second World Conference - Habitat II include:

- issuing a newsletter "INFO-HABITAT", spreading information on the objectives of Habitat II, on the preparatory actions and on the challenges of the development of human settlements;

- issuing a stamp and a medal for the World Conference Habitat II.

Meanwhile, as a participating Country, Romania intends to organise a National Pavilion at the International Fair for Housing, Building Technologies and Human Settlements, which will take place in Istanbul during the World Conference.

2. THE LINKS WITH OTHER WORLD CONFERENCES

The preparatory works of the Second World Conference - Habitat II rely on the **Global Strategy for Housing to year 2000** and on the guidelines formulated by the First World Conference - Habitat I (Vancouver, Canada - 1976).

Of an equal importance were considered the conclusions of the debates and the final declarations of the other World Conferences organised in the last years by the United Nations.

At the **Vienna Conference on Human Rights** it was stated, in the context, that democracy and human rights are preconditions of any sustainable development. Fighting all forms of violence (political, social, economic, or other), and protecting human rights represent the basic objectives of a state ruled by law, being also crucial for the sustainable development of human settlements and for providing adequate housing conditions.

The Rio Conference increased public awareness as to the environmental risks, recognising that these risks can be thwarted by a global approach, where environmental issues are being considered in the framework of the main challenges of development. The most important issues - such as the reduction of the ozone layer, the endangered species, desertification - have to be tackled with in an integrated approach.

The development of cities, the existing production and consumption models, have to be reconsidered and adapted to the challenges of environment protection.

The Conference in Cairo emphasized the proportions of the population increase up to the middle of the next century, the concentration of the population in urban areas, especially in the developing countries. The pressure it will represent on the infrastructures at large and on the management of human settlements, requires new, comprehensive strategies and a large international co-operation.

The conclusions of the **Summit in Copenhagen**, on social issues, pointed to the extreme inequities which exist in the largest cities of the world, both in the developed and in the developing countries. Emphasis was put on the potential dangers of these inequities, in generating violence, increased criminality and social disorders. Avoiding social crises by reducing social inequities is a major challenge for urban management.

At the **Beijing Conference** it was stated that an increasing role for women in society is critical for achieving the equality of genders as it is generally accepted in principle. Changed attitudes and social values will create that favourable and healthy environment in which the complex social role of women could be adequately asserted.

3. ROMANIA'S PARTICIPATION TO THE INTERNATIONAL PREPARATORY PROCESS

Romania took an active part in the international preparatory process for the World Conference Habitat II, by participating in the various meetings organised by UNCHS and ECE-UN and even by hosting some of these events.

A representative delegation of Romania took part at the first meeting of the Preparatory Committee (Prep Com I) which was held in Nairobi between April 24 and May 5, 1995. A member of the Romanian delegation was included in the Informal Drafting Group of the Habitat II Agenda.

A member of the National Committee participated actively in the sub-regional meetings and the work carried out for the preparation of a Regional Monograph and of a Housing Indicators Program for the countries in transition in Central and Eastern Europe.

In Dubai, in November 1995, Romania presented a selection of Best Practices, including 10 examples of the actions and initiatives implemented in the last years and considered as representative for the transition period in Romania. The selected examples emphasize some of the issues we consider as being beneficial in improving housing conditions, stimulating private initiative and investment in housing and in protecting some of the most important cultural heritage of the country.

Romania hosted the 19-th Meeting of Experts in Housing in Southern Europe (4-6 September, 1995); during which a special report on the work of the experts in the last 18 years was adopted and proposals were made that it be included in the works of the World Conference Habitat II.

B. URBAN DEVELOPMENT AND HOUSING

1. INTRODUCTION

As of 1990, Romania is going through an irreversible process of developing and consolidating a democratic society and a state ruled by law, a process which is accompanied by the development of a new economic and social model.

The transition from a highly centralised economy to a market oriented one, the opening up to the West and the integration into the world system, require fundamental changes, both in the structure of the economy and in the social system as a whole.

Redefining the development of human settlements, in this context, implies a new approach, by which to increase the awareness as to their complex problems in search of solutions that will lead to their **sustainable development**.

The **National Report** aims at presenting a comprehensive picture of the human settlements in Romania from the complementary perspective of both government and non-government organisations, which participated in the preparatory process as part of the National Committee.

Section B of the National Report gives an overview of the development of human settlements, by providing information as to their existing situation and also to their evolution in the past 20 years. The objective is to identify critical issues and bottlenecks in their development, so as to establish realistic targets for the necessary policies and to assess the resources required to attain the goals.

The first chapter is a **general overview** of the context, of the specific geographic conditions and of the main economic and socio-demographic characteristics, in which the development of human settlements takes place in Romania. There is also, an extensive review of the legislative and institutional changes after 1989, which impacted on the development of human settlements and on housing.

Chapters two and three present **the evolution of urban and rural settlements**, the main changes that occurred after World War II up to 1989 and the **new trends of the transition period (1990-1994)**.

Chapter four is a detailed presentation of the **infrastructure of communal services** and of the **health - care and educational services**.

Environmental issues, as well as **social issues**, are presented as against the quality of life in human settlements.

Chapter five is dedicated to **housing challenges**, stemming both from the distortions inherited and from the structural changes in the housing sector during the transition period.

A special attention is being given in the National Report to the **strategies and policies** which are likely to support the sustainable development of human settlements and of housing, i.e. macro-economic stabilisation, environment protection, the social safety-

net, regional and urban planning strategies and policies aiming at providing equal opportunity for all to a decent housing. All the above are presented in **Section C** of the National Report.

The main objective of the Section C is to identify the "critical areas" in the development of human settlements and of housing, areas which are **priorities** for the future action plans.

The last section - D - of the National Report summarises the directions of priority interest in international co-operation.

2. GENERAL OVERVIEW

2.1. Geographic conditions

Romania is situated in the South-eastern part of Central Europe, on the lower Danube, with an opening to the Black Sea. The country is at an equal distance of about 2,000 km to both extremities of the European Continent (the Atlantic Ocean to the West, and the Ural Mountains to the East).

Access to the Sea, facilitates connections with the countries of the Black Sea region and the Mediterranean. Practically, by its geographic position, Romania is acting as a turning-plate between East and West, North and South.

The area of the country is of 238,390.7 sqkm.

Romania is made up of three main forms of relief, in a concentric and proportional disposition: 31% of mountains, 36% of hills and plateaus and 33% of plains and river-meadows.

The climate of the country is a transitional continental one, with oceanic influences from the West, Mediterranean from the Southwest and excessive-continental from the Northeast.

The Danube is bordering the country to the South, for 1,075 km, representing the largest section of the Rhine - Main - Danube water-way.

Romania has a wide variety of natural resources, but not all of them in sufficient quantity for the national economy. Among the most important resources one can mention: oil; natural gas; high quality coal; ferrous and non-ferrous ores; and other non-metalliferous deposits. As a special category of resources there are over 200 mineral springs, suited for consumption and for medical treatment.

The macroseismic zoning of the country indicates the areas subject to earthquake-risks situated in the Southern and South-eastern part of the country (Fig 1). The highest-risk area is situated at the exterior curve of the Southern Carpathian Mountains with the County of Vrancea in its centre.

MAIN FORMS OF RELIEF HYDROGRAPHIC NETWORK - SEISMIC ZONING

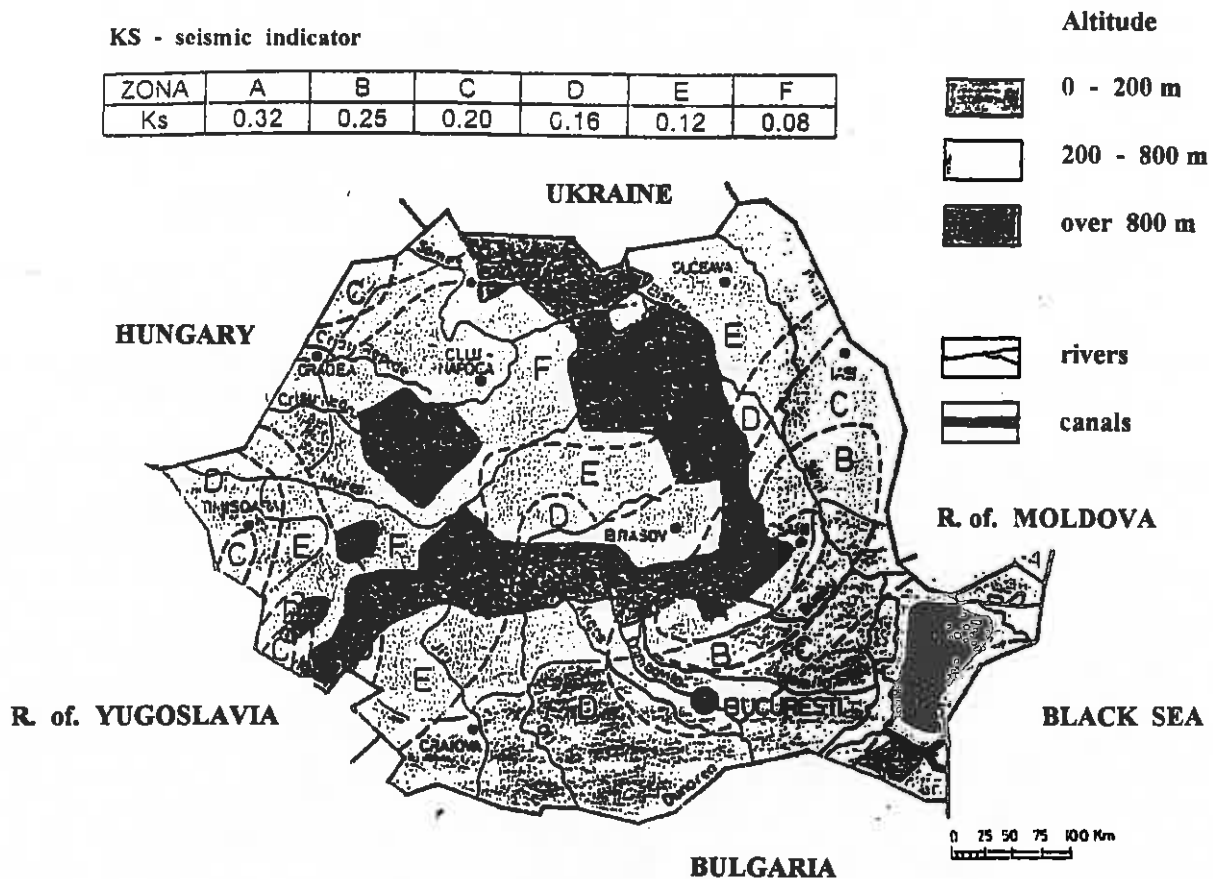


Fig. 1

2.2. Main land-use pattern

Almost two-thirds of the country's area (62.1%) are agricultural land and 28% are covered by forests.

The human settlements are relatively harmoniously located in all the regions of the country, in accordance with their relief and economic characteristics. Practically, with the exception of the high-mountains above 1,200 m, there are no un-inhabited areas. The settlements cover, on the whole, about 2% of the country's area.

2.3. Governance and administrative division of the country

Romania is a constitutional republic.

The new Constitution of the country, adopted in 1991, guarantees property rights and provides equal protection for all private properties, regardless to the owner.

According to the Constitution, the basic administrative units of the country are: the counties, the cities and the communes. Some cities may be declared municipes by law.

The 40 counties of Romania (Fig 2) are territorial and administrative subdivisions having a tradition based on their specific geographic conditions and on the economic, social, cultural, ethnic and administrative relations between the settlements. The average area of a county is of 6,000 sqkm, having in average 500,000 inhabitants. The counties include the administrative areas of the cities and communes which are in their limits.

ADMINISTRATIVE - TERRITORIAL DIVISION

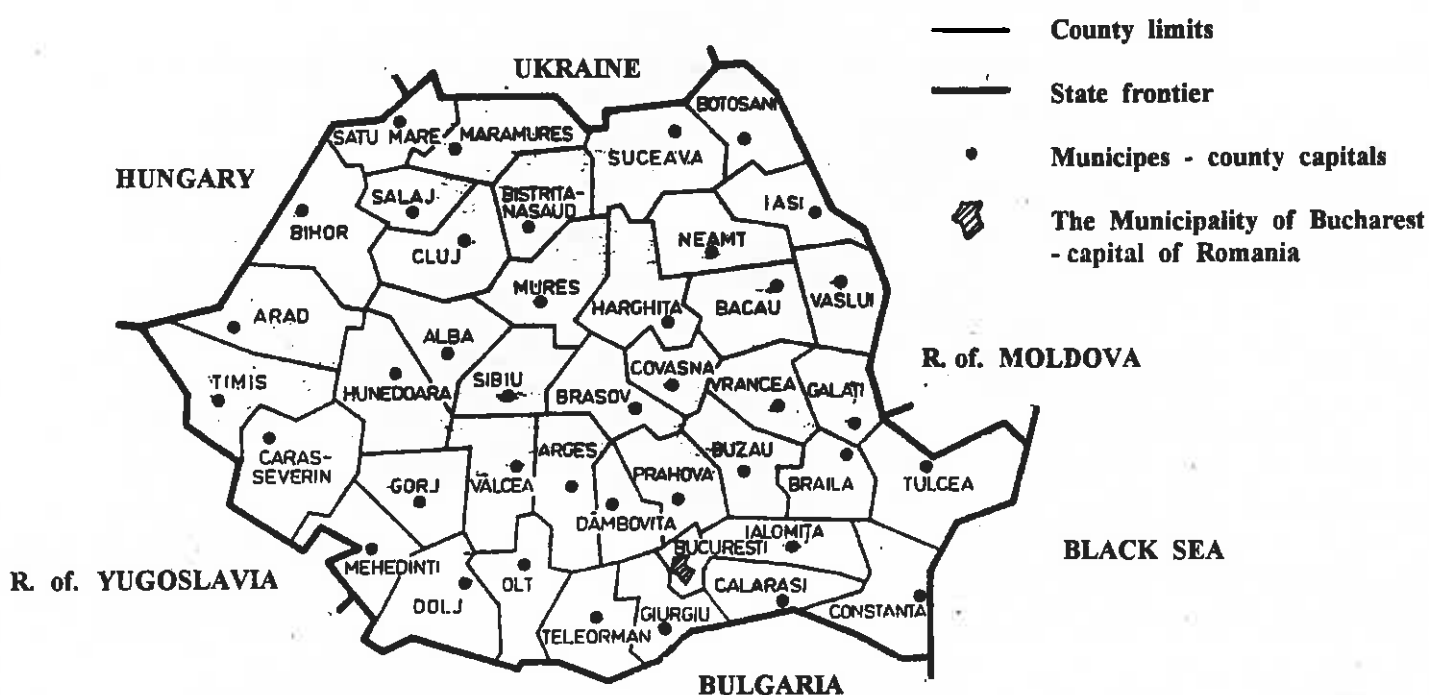


Fig. 2

The capital-city of the country is the Municipality of Bucharest, which - with its surrounding area (the Agricultural Sector Ilfov) - has the status of a county.

According to the Law for Local Public Administration (no. 69 / 1991) governance of the administrative-territorial units relies on the principles of their autonomy, the decentralisation of public services, the eligibility of the local administration and the consultation of the citizens on issues of major interest.

Governance at the local level is performed by the local councils of cities and communes, as deliberative bodies, and the mayors as executive authorities. The local councils are elected for a four-year mandate.

Each county is governed by an elected county council, in charge with the coordination of public services at the county level and with establishing the main guidelines for physical planning at the county level.

The Government appoints a "prefect" (chief commissioner) in each county and in the Municipality of Bucharest, who is watching that the local councils and the mayors act by the law.

2.4. Population and human settlements - Background data

As of January 1, 1995, the population of Romania was of 22.7 million inhabitants. In Europe, Romania is ranking 9-th by the size of its population, being in a median position in terms of population density (96 inhabitants/sqkm).

The evolution of the population in the 20-th century registered various rates (Fig. 3), under the influence of a variety of economic and social conditions.

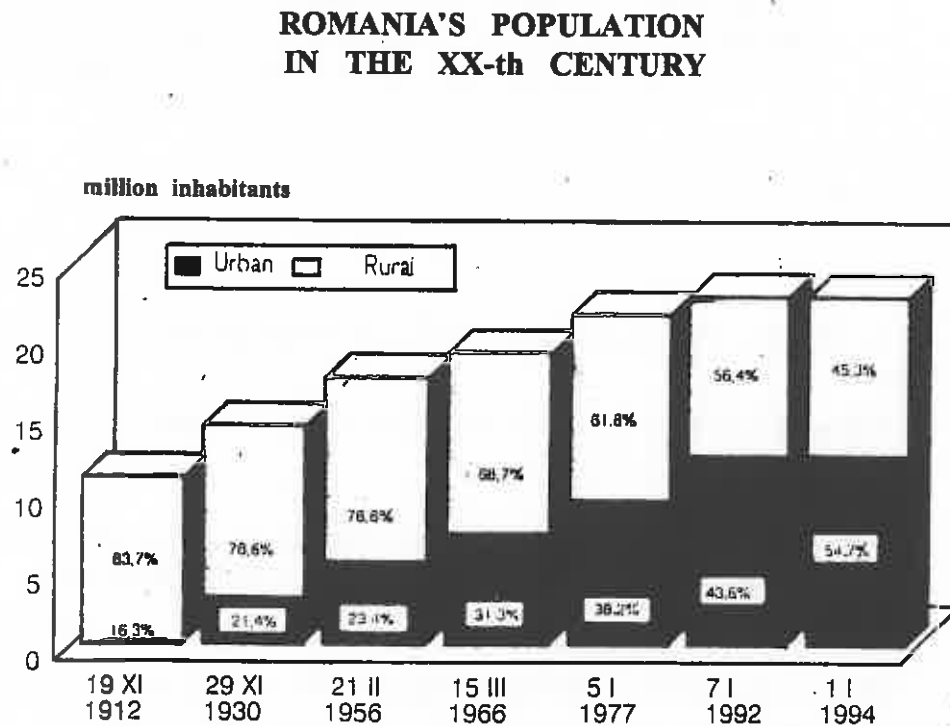


Fig. 3

As compared to the population of the country at the beginning of this century, there was a doubling in volume (in the present frontiers of the country).

Between 1977-1992 the growth rate was of 0.4% per annum.

In the years 1990-1994 the decrease of population was due both to emigration, in the first couple of years, and to a negative rate of natural increase starting 1992. (Fig. 4).

BIRTH RATE, MORTALITY AND NATURAL INCREASE

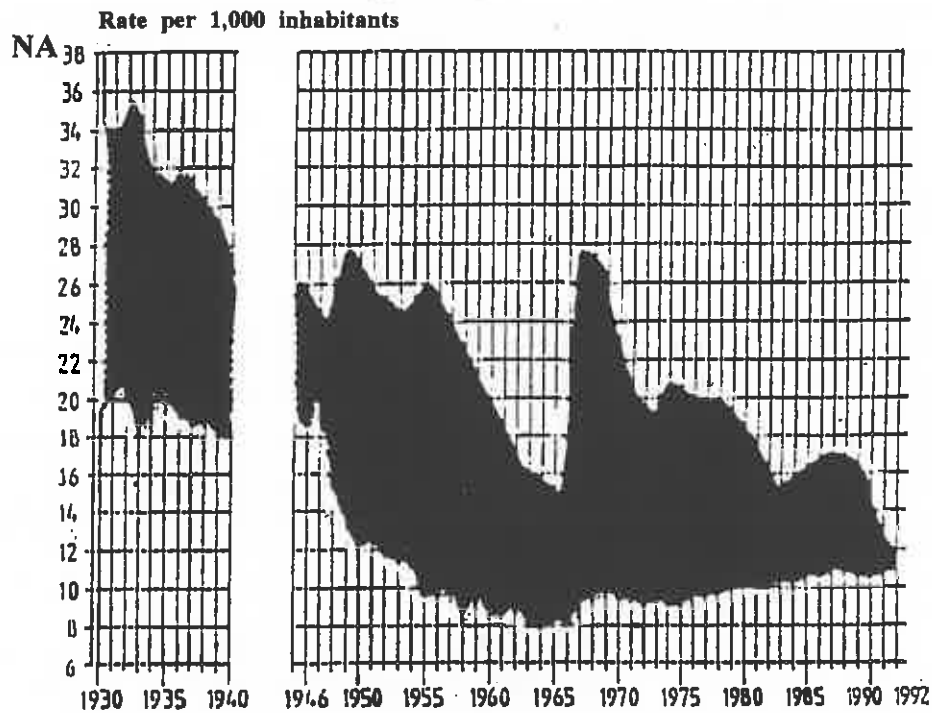


Fig. 4

In 1994 the urban population was of 12.4 million persons, i.e. 54.7% of the total population.

The scope of the urbanisation is reflected by the doubling of the urban population in the last 25 years.

The network of human settlements is constituted of 262 cities (out of which 82 are municipalities) and over 13,000 villages, which form 2,688 communes.

There is an average of 1.1 city/1,000sqkm and of 5.5 villages/100sqkm.

With the exception of the high mountains, the network of settlements covers the whole area of the country: in average there is 1 settlement per 12 sqkm.

In terms of size and functions there is a wide range: from the capital city with over 2 million inhabitants, to large cities with over 300,000 inhabitants, to villages with less than 10 households.

The network of cities shows a continuous process of concentration. The number of cities over 100,000 inhabitants grew from 12 in 1966, to 16 in 1977, to 24 in 1995. Over 60% of the urban population lives in this category of cities. A significant increase occurred also in the category of cities ranging from 50 to 100 thousand inhabitants: their number grew from 8 in 1966 to 23 in 1992.

Between 1966-1994 a number of 72 settlements (mostly small and medium sized) acquired the status of city.

The spatial distribution of **villages** reflects mainly the specific geographic conditions on the regional level. The size of villages varies between 100 and 28,000 inhabitants. Most of them (71%) are small in size, with less than 1,000 persons each. A number of 1,000 villages have less than 100 persons each.

2.5. Human resources

During the 1977-1994 period, the female population increased faster than the male population, its share being now of 51% of the total population.

Due to a higher mortality rate, the ratio of men to women (males per one thousand women) tends to decrease along with the advance in age.

The decreasing female fertility rate, the increasing general mortality rate and the negative external migration balance caused significant changes in the age pyramid, reflected in the narrowing base and in the widening of the older age-groups (Fig. 5).

**AGE - GROUPS AND MALE / FEMALE DISTRIBUTION
in 1977 and 1992**

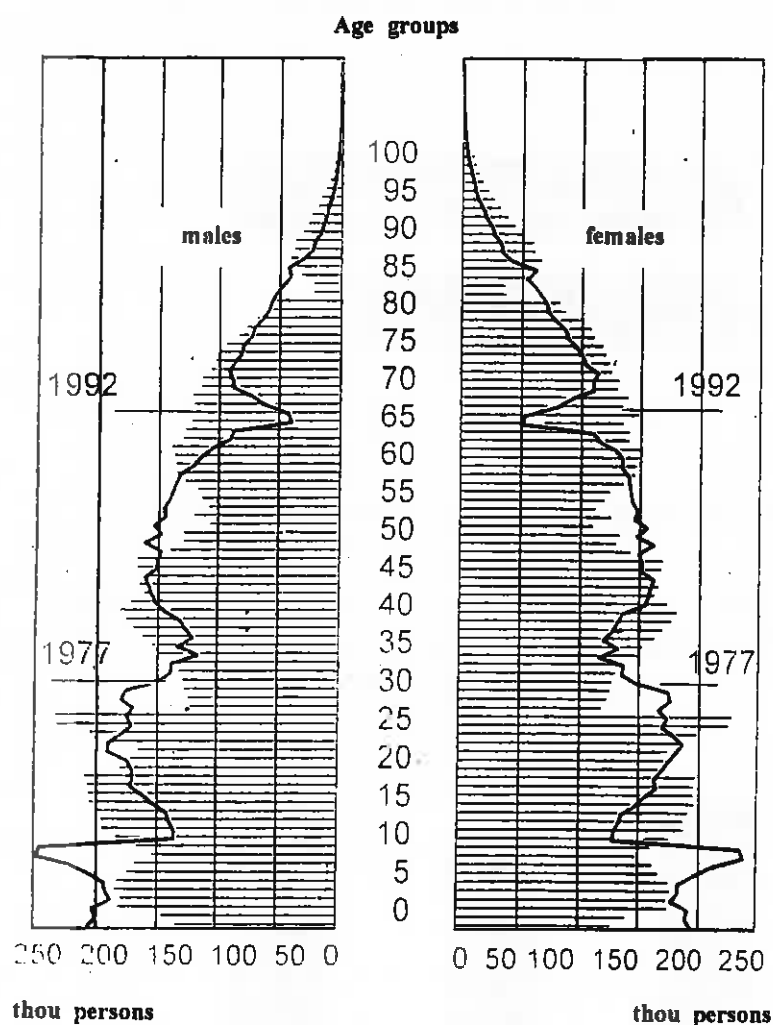


Fig. 5

The increasing phenomenon of demographic aging in the last 25 years is reflected both in terms of the sheer number and the share of the population aged 60 and over. The process is more significant in the rural areas, where the proportion of the population aged 60 and over is twice that in the urban areas (22.1% as against 12%). The elderly female population in rural areas is of 24.1%, i.e. every fourth woman is an aged person.

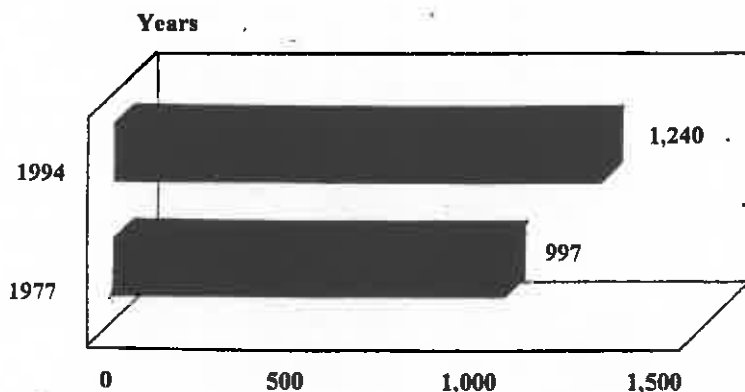
Life expectancy over the 1991-1993 period was of 69.5 years (66.5 for males and 73.1 for females). The low level of this indicator reflects the inadequate social services provided before 1989, the emphasis of the communist regime on economic performance as against health - care and a higher standard of life.

Infant mortality rate, still very high in Romania, decreased significantly from 74.6‰ in 1960 to 23.3‰ in 1993.

The specific mortality - rate over the period 1990-1993 decreased in the younger age groups as compared to 1989. The decrease is particularly significant for children under age 5: from 7.1‰ in 1989 to 5.2‰ in 1993.

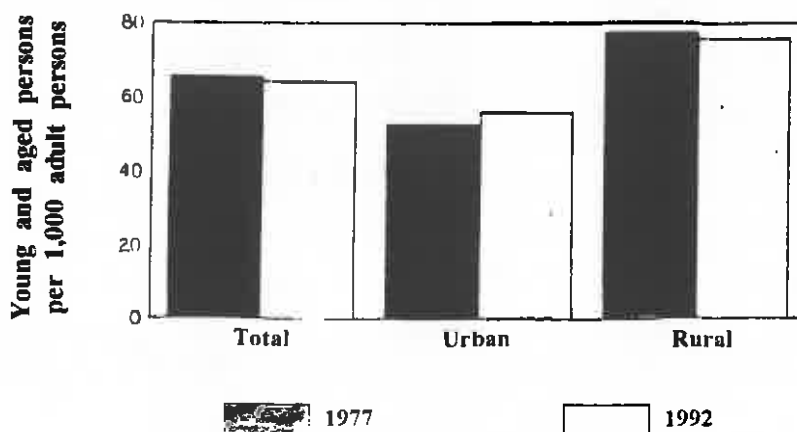
At the beginning of 1994, the country's **active population** was estimated at 11.3 million persons. In 1993, for every 1,000 working persons there are 1,240 non-actives or unemployed, as against 997 in 1977. Over the same period, the number of pensioners increased 1.5 times (Fig. 6).

DEPENDENCY RATIO IN 1977 AND 1994



Non - active persons and unemployed per 1,000 active persons

DEPENDENCY RATIO IN THE YOUNG AND ELDERLY AGE - GROUPS IN URBAN AND RURAL in 1977 and 1992



DEPENDENCY RATIO OF THE ELDERLY POPULATION IN URBAN AND RURAL AREAS IN 1977 AND 1992

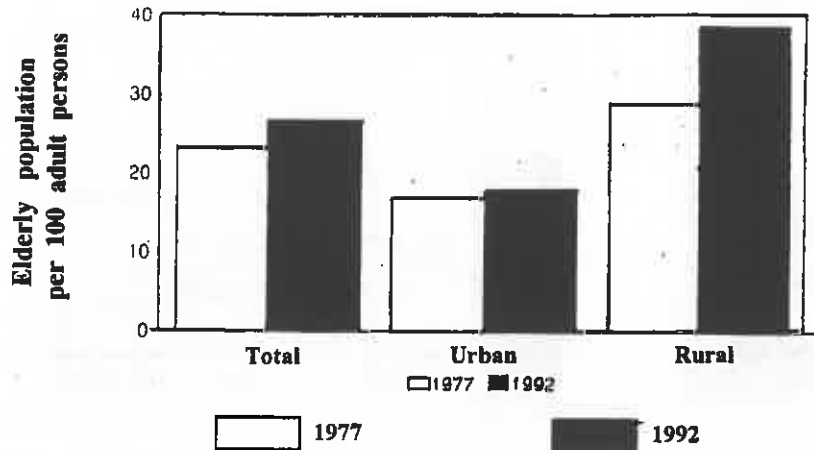


Fig. 6

Over the last couple decades, the structure of the employed population underwent significant changes:

- the number of active persons and their share in the total population decreased, due to the structural changes in the gender-, age-, and social- structure of the population, and the extension of schooling years;
- the excess of labour force after 1990 is due to the unbalances on the labour market in the transition period; in 1994 the number of unemployed was of 1.223 million persons;
- the important changes in the social and professional structure of the working population reflect the profound economic and social changes that started after 1989;
- the high proportion of the non-active population reflects mainly the demographic aging;
- in the structure of the non-active population, there is a steep increase of the pensioners and a decrease of the population in schooling- and pre- schooling age.

The economic status of the population by gender is reflected in Fig. 7.

The changing ratio of the active to the non-active population increases the social burden on the active population, in providing goods and services both for themselves and for those non-active or unemployed.

**POPULATION - STRUCTURE
BY SEX AND ECONOMIC STRUCTURE
in 1977 and 1992 (%)**

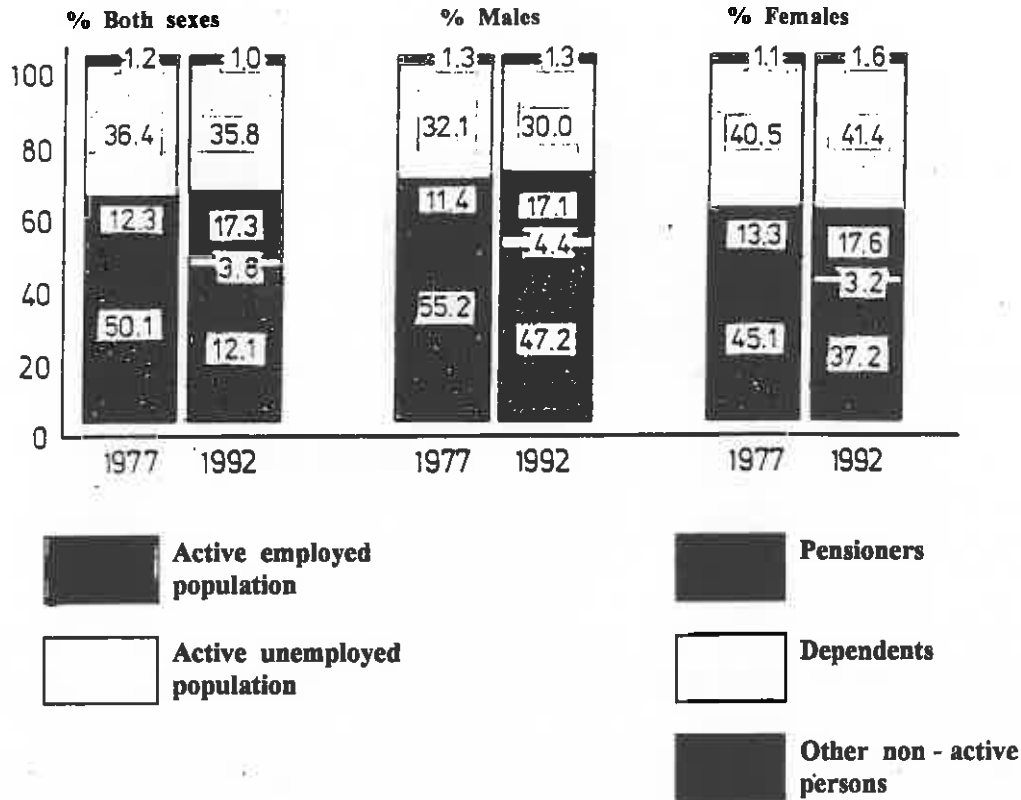


Fig. 7

In the structure of the **employed population** there was a significant shift over the last two decades, mainly from the primary to the secondary sector and - to a lesser extent - to the tertiary sector:

The structure of the labour force by sectors of the national economy

	1977	1992
Total	100.0	100.0
* primary sector	38.0	24.4
* secondary sector	38.5	46.4
* tertiary sector	23.5	29.2

Agricultural population, though still accounting for one fourth of the labour force, decreased actually by 40% as compared to 1977. The industrialization process was accompanied by an important attraction of the labour force from the rural areas, with

industrial labour offering higher and stable wages, access to a wider range of social services and to pensions.

The changes in the structure of the labour force by main branches of activity entailed corresponding changes in the social and professional structure. Technical progress required a more skilled labour force and higher qualifications, the development of new professions:

The professional structure of the labour force

	1977	1992
	Total	100.0
* legislative personnel; managers; specialists	6.1	7.8
* technical and administrative personnel	12.2	15.6
* skilled workers in agriculture, non-agricultural branches and services	72.4	69.0
* unskilled workers	9.0	6.6

The most significant shift is that from blue-collar to white collar jobs.

The education process which includes 20.2% of the population, situates Romania among the countries with a high degree of school enrollment.

In 1994-1995, 61.6% of the schooling - age population (3-23 years) was included in various forms of education.

In the basic forms of education - primary and pre-secondary schools - the degree of enrollment is of 92% (out of which 48.8% are females) In secondary schools there were in the school - year 1994-1995 758,000 pupils (out of which 57.0% females).

The high education (university) system includes (1994-1995) 63 public universities, with 263 faculties and 255 thousand students; 83.5% of the students attend day classes, 8.4% the evening classes and 8.1% are in non-attendance forms. There are also over 130,000 students in private universities.

In average, in Romania there are 1,694 students per 100,000 inhabitants, out of which 1,122 in public universities.

Over the last thirty years (between the Censuses in 1966 and 1992) there have been major quantitative and qualitative changes in the education system, especially concerning a higher level of education and professional training:

The structure of adult population by the level of education

	Census years		
	1966	1977	1992
Adult population - total	100.0	100.0	100.0
Graduates from: * university	2.2	3.6	5.1
* secondary schools	22.5	48.1	66.6
* primary schools	64.5	39.0	23.0
* without any school	10.8	9.3	4.7

The structure by gender and education level, though improved between the last two Censuses, remains favourable to males: for 1,000 female university graduates there are 1,412 males, the ratio for secondary schools being of 1,000 females/1,067 males.

The young population has a higher level of education. More than 70% of the young people aged 20-24 are university or high-school graduates.

2.6. The economic background before 1989

Up to 1989 the economic model of the socialist centralised-system was dominated by the high rate of industrialization, creating over-sized, ineffective power consuming structures.

In most branches of the economy, productivity was very low. Overemployment, the reduced utilisation of the production capacities, the increasing inefficiency, reflected the lack of motivation of the employees.

A distorted price - system, established by administrative decisions was aimed at supporting inefficient activities by re-allocating at the national and sectorial levels the scarce financial resources, at the expense of domestic consumer supply.

The repayment in advance of the country's foreign debt induced dramatic distortions in the economy. By forcing the increase of exports, the final domestic consumption plummeted. In the same time imports were drastically reduced, afflicting the competitiveness and the technological innovation in the overall economy.

The domestic supply of consumer goods diminished year after year. Thus, by 1988, 70% of all the furniture produced was exported, as well as 85% of textiles, 88% of footwear, etc.

In the context of the world economic crisis, the accentuated domestic unbalances between supply and demand in consumer goods and services, low wages and reduced productivity, led to overemployment in the early 80's. By the late 80's, with the deepening structural unbalances, the living standard of the population was constantly deteriorating.

2.7. The evolution of the Romanian economy over the 1990-1994 period

The transition from a highly centralised command economy to a market oriented one, a process which started in 1990, was reflected mainly in this first stage in:

- * the efforts to overcome the system-crisis and to relaunch the economy, by macrostabilisation, restructuring, privatization, attracting foreign investment, liberalising trade, etc;

- * the high social costs of the process.

In the very difficult conditions that confronted the Romanian economy in early 1990, the main goal of the Government was to create a decent living standard for the population. A series of measures were taken in 1990 to that avail: the peasants were

allocated a plot of land; a five working days week was introduced; energy and heating supplies for the population were increased.

As of 1990, the economy of the country entered a period of steep decline, as a consequence of both the inherited unbalances and distortions and the impact of the transition. By 1993, the GDP (in real terms) accounted for 3/4 of that of 1989.

The first stage of the overall reform was marked by important legislative and institutional changes. These were meant to create a framework for the development of free enterprise, the re-instatement of private property rights, the price-liberalization, the reform of the banking system, the restructuring of the fiscal system, etc.

After 1992, a series of measures aiming at macrostabilization were taken, so as by mid-1993 the economic decline came to a halt. Consequently, in 1994 the GDP increased (in real terms) by 3.4% as compared to 1993. The private sector accounted for about 35% of the GDP, mainly in agriculture, trade, banking and construction.

Overcoming the peak of the structural crisis and entering the new stage of macrostability in 1994, had a smoothing effect on the domestic unbalances between supply and demand, but also stimulated exports, improved the balance of foreign trade and increased the confidence in the national currency. Meanwhile a relative stability of the exchange rate to the dollar was achieved.

In nominal terms, the income from wages and pensions increased year after year, by periodical indexation and by compensating the price increase of public services. Nonetheless, prices increased faster than the income of the population (wages, pensions, income of the agricultural workers), reducing its purchasing power:

**Purchasing power of the population
(December 1990=100)**

	1991	1992	1993	1994
Net salaried income	88.1	81.8	64.2	77.2
Average real pension	90.1	76.5	68.8	71.4

After price liberalization as of November 1990, the average monthly inflation rate increased to high levels up to 1993. It was 10.3% in 1991, 9.6% in 1992, 12.1% in 1993. In 1994 the average monthly inflation rate dropped to 4.1% (Fig. 8).

The decrease in real terms of wages and pensions was somewhat attenuated by the diversification of the income sources and the development of new income sources. Thus, privatization of the agricultural land resulted in 6.4 million persons owning plots of land up to 10 ha; free enterprise generated new businesses; restrictions on performing more than one job were lifted.

By the end of 1994, the evolution of real wages shows a positive trend (Fig. 9).

Over the 1990-1994 period there are marked changes in the structure of family budgets: food consumption increased constantly, at the expense of other goods (clothing, housing, durable goods).

**The structure of family-budgets
(by household - categories)**

	Household of salaried persons		Household of pensioners	
	1990	1994	1990	1994
Total spending	100.0	100.0	100.0	100.0
• food	49.4	59.3	58.2	66.6
• clothing, footwear	17.3	10.6	8.6	4.2
• housing and durable goods	15.3	13.1	15.8	15.3
• medical care, drugs	1.0	1.2	3.5	2.8
• transport, communication	6.9	6.3	5.9	5.0
• culture, education	5.3	4.8	4.6	3.1
• other spending	4.7	4.7	3.4	3.0

Nevertheless, there was a continuous increase in the purchase of durable goods, as shown below:

pieces per 100 households

	1990	1991	1992	1993	1994
Radio sets	89.3	93.0	94.2	94.6	95.0
TV sets	59.5	60.1	62.3	62.7	63.0
Refrigerators	54.5	53.9	54.5	54.7	55.0
Gas stoves	43.5	43.9	43.4	44.1	45.0
Washing machines	46.5	46.9	46.5	46.2	46.0
Vacuum cleaners	24.1	24.6	25.2	26.4	27.0
Telephones	29.1	30.6	31.4	32.5	33.0
Cars	17.0	19.1	21.1	23.7	27.0

**AVERAGE ANNUAL INFLATION - RATE
1991 - 1994**

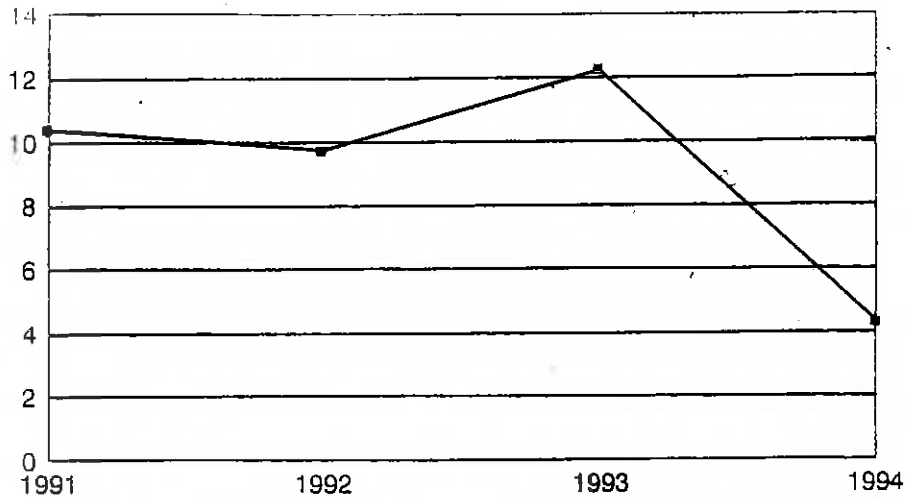


Fig. 8

**THE EVOLUTION OF THE REAL WAGE AND REAL PENSION
1991 - 1994**

% December 1990 = 100

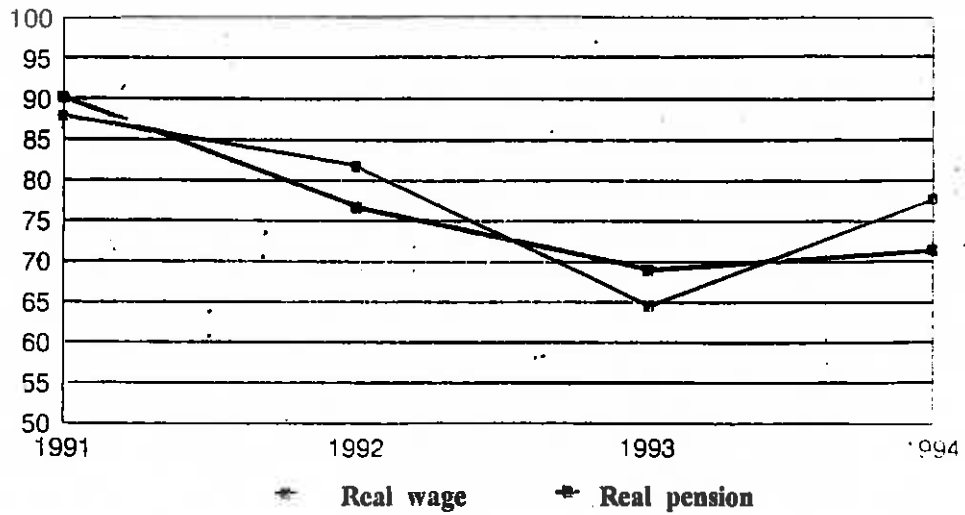


Fig. 9

2.8. Main legislative and institutional changes after 1989, impacting on the development of human settlements and on the housing sector

The legislative activity of the last 6 years was aimed to reconsidering the whole legal framework of the country and to completing it, in order to create the necessary legal structure that would support the development of a new housing system, in a state ruled by law and a free - market economy.

The analysis of the main legal framework of Romania concerning the Habitat has been carried out considering the current legal acts, as well as those going to be adopted.

The current legal acts were also dealt with considering if they were adopted before or after December 1989, i.e. the Romanian Revolution.

The issues according to which the legal acts were classified are the following:

- 2.8.1. General Legal Framework (with relevance to the Habitat).**
 - 2.8.2. Basic Administrative Units and Public Administration.**
 - 2.8.3. Ownership Rights.**
 - 2.8.4. Building Activities and Housing Construction.**
 - 2.8.5. Public Works.**
 - 2.8.6. Public Finance and Housing Financing.**
 - 2.8.7. Privatization of the Housing Stock.**
 - 2.8.8. Housing Management.**
 - 2.8.9. Regional and Urban Planning.**
 - 2.8.10. Protection of the Environment.**
 - 2.8.11. Protection of the National Cultural Heritage.**
- 2.8.1. General Legal Framework (with relevance to the Habitat).**

A. CURRENT LEGISLATION.

b. Legislation adopted after December 1989.

1. The Constitution of Romania (1991).

The Constitution of Romania, adopted by national referendum, formulates the basic juridical principles, upon which are based all the categories of problems representing the aim of the activities carried out in the framework of the Habitat sector.

(Some of its provisions will be mentioned further on when dealing with some specific issues concerning the Habitat).

2. The Law on the reorganization of the state economic enterprises as semi-autonomous state-capital agencies (regies autonomes) and commercial societies (15/1990).

The state-owned economic enterprises have become semi-autonomous state-capital agencies or commercial societies having an economic independent management and financial autonomy (regies autonomes)

This Law deals also with the activity of the communal enterprises offering public utilities and community services and acting under the authority of the local public administrations.

Some of their activities and some of the land owned by the state and used by these enterprises can be licensed.

The semi-autonomous state-capital enterprises and the commercial societies can associate themselves but monopoly-oriented activities are prohibited.

3. The Government Decision concerning the Establishment of the National Center for Human Settlements (Habitat) (515/1991).

The National Centre for Human Settlements (Habitat) acts under the aegis of the prime-minister. Its major task is the formulation and the implementation of the national strategy of Habitat. The Secretariat of the Centre is organized as a specialized Directorate in the framework of the Ministry of Public Work and Regional Planning.

4. The Government Decision concerning the protection of the sources of high hazard (486/1993).

It formulates measures to eliminate the hazards for the human settlements and the environment, generated by the lack of maintenance, by corrosion, earthquakes or other causes, which may affect the sources of high hazard.

5. The Government Ordinance concerning the protection against disasters (47/1994).

- It creates an institutional coherent framework in order to minimize the unfavourable effects which may be created by the occurrence of natural disasters or of technical accidents.

- It formulates the required actions and measures to be taken during the preliminary stages, the occurrence and after the production of disasters.

- A Governmental Commission for Defense against Disasters and headed by the prime-minister, is being created.

- Central commissions specialized by types of disasters are organized in connexion with the specific ministries.

- In order to cover the territory of the country, commissions are being set up in all counties and the municipality of Bucharest.

- The duties of the central and local agencies responsible for the protection against disasters are being spelled out.

6. The Law on the Social Assistance (67/1995).

This law deals with the problems specific for the families and people having the smallest revenues. The social subsidies will be paid from the local budgets.

About 9.7% of the population will benefit from the social assistance.

2.8.2. Basic Administrative Units and Public Administration.

A. CURRENT LEGISLATION.

b. Legislation adopted after December 1989.

1. The Law on the administrative organization of the territory of the Socialist Republic of Romania (2/1968).

The administrative units - into which the territory of the country is divided - are the county, the municipality, the town and the commune. The commune is being composed of one or more than one village.

2. The Law on the improvement of the administrative organization of the territory of the Socialist Republic of Romania (2/1989).

The Law contains some changes concerning the administrative units of the country.

b. Legislation adopted after December 1989.

1. The Constitution of Romania (1991).

The Article nr.3 stipulates that "the territory is organized administratively into communes, towns and counties. Some towns are declared municipalities".

- According to Article 119 "Public administration in the administrative-territorial units is based upon the principle of local autonomy and decentralization of public services".

- The Articles 120, 121 and 122 define the authorities at the levels of communes, towns and counties, as well as the attributions of the Prefect.

2. The Law on Local Public Administration (69/1991).

This law stipulates the principle of the local autonomy and of decentralization of public services, as well as the responsibility of the local public administration authorities in the management of the basic territorial and administrative units, into which the country is divided (counties, towns and communes).

- The public-administration authorities which are implementing the local autonomy at the level of communes and towns are the local councils and the mayors. In the counties there is an elected county council. Its members are electing a president and a standing committee.

- The councils are composed of democratically elected councillors.

- The Law stipulates the competence, the establishment, the duties and the functioning of the local councils.

- The Government appoints a prefect in every county and for the Bucharest Municipality.

- Issues of special interest can be submitted to the approval of the local people by referendum.

- All construction and repair works are being carried out only according to technical designs and economical studies, which are to be evaluated and approved on a preliminary basis.

- The local public authorities have the right to approve the plans and studies concerning the town and regional planning.

- The local council approve the local budget, establish and collect the local special taxes and charges.

3. The Government Decision concerning the establishment of categories of counties, municipalities and towns (410/1992).

This Decision stipulates specific categories of counties municipalities and towns, according to the number of their inhabitants.

4. The Government Decision concerning the approval of the guiding charter of the commune and of the town (127/1992).

The guiding charter established through this decision serves to draft the specific charters of the local communal and town councils.

5. The Law on the approval of the Government Ordinance nr.69/1994, concerning some measures for organizing the semi-autonomous state-capital local agencies (135/1994).

This Law specifies the ways of organizing the semi-independent state-capital agencies which are dealing with; water-supply, sewerage and waste water treatment; processing, transportation and distribution of thermic energy; local public transportation; management and repair of the housing stock, shopping areas, the communal roads and open spaces; construction, maintenance and modernization of roads and bridges at the county level.

2.8.3. Ownership Rights.

A. CURRENT LEGISLATION

b. Legislation adopted after December 1989.

1. The Constitution of Romania (1991).

The Article 41 stipulates that:

- The right of property is guaranteed.
- Aliens and stateless persons may not acquire the right of property on land.
- No one may be expropriated, except on grounds of public interest, established according to the law, against just compensation paid in advance.
- For projects of general interest, the public authorities are entitled to use the subsoil of any real estate, with the obligation to pay compensation to its owner for the damages caused.
- The right of property compels to the observance of duties related to environmental protection and insurance of neighbourliness.

The Article 42 specifies:

"The right of inheritance is guaranteed".

According to Article 135:

- "The State shall protect the property". It also defines the object of public property and specifies that "Publicly owned assets shall be inalienable", but may be ceded for administration, lease or granted in concession.

- Private property shall be inviolable.

2. The Land Fund Law (18/1991).

This is a major law which determined the agrarian reform which took place, creating the background for establishing the private sector in the agriculture.

- It defines the public domain belonging to the state and to the local public administration authorities (subject of the public right) as well as the private domain of the state and of the administrative and territorial units (subject of the private right).

- The agricultural land is returned to former owners and their heirs. The minimal surface amounts to 0,5 ha per person and can be of maximum 10 ha per family.

- Ownership of land is offered also to the present rural inhabitants which have not owned land in the past.

- 6.6 million ha, out of a total of 9 million ha, are being redistributed. The remaining land represents the land to be maintained in state ownership (about 25%).

- The land belonging to the state or to the inter-cooperative associations stays in their possession, whereas they get reorganized in commercial societies on shares.

- Land can be sold but submitted first to the preemption right of the Agency for Rural Development and Management.

- The land owned by the State inside the limits of the human settlements is passing into the ownership of the communes, towns and municipalities, if it is administered by those authorities.

- The provisions of the law apply to the Romanian citizens residing abroad, only if they establish their residence in Romania.

- The agricultural global amount of agricultural land acquired by a family cannot represent more than 100 ha.

- All owners of agricultural land must cultivate and protect the soil. If this is not the case, they will lose after 2 years their ownership rights.

- The state supports the works aiming at protecting and improving the soil, bearing the costs partially or totally.

- The location of new constructions of any kind is done usually inside the limits of the settlements.

3. The Law on Local Public Administration (69/1991).

This Law establishes the competence of the assets belonging to the administrative units of the country.

- It defines the structure of the public and private domain of the administrative units.

- It stipulates the right of the local public administration authorities to lease, rent and transfer the management of the assets belonging to the public domain and to sell assets belonging to the private domain.

- It settles the right of the local public authorities to sell, lease, rent and transfer the management rights by public bidding.

- It specifies the right to cede real property for free use for a limited period, to charitable activities or to activities of public interest.

- It spells out the way of transferring the assets and goods of local importance from the public and private domains of the state into the ownership of the administrative units.

4. The Government Decision concerning the transfer of assets and values of local importance from the public and private domain of the state, into the property of communes, towns and counties, as well as the transfer under the authority of local or county councils of the semi-autonomous state- capital enterprises and commercial societies totally owned by the state, which are providing public services. (113/1992).

- According to this decision commissions are established for the transfer of assets and values from the domain of the state into the ownership of the administrative territorial units.

- It specifies the contents of the public and private domain of the state and of the administrative territorial units.

- With regard to these units the domain can belong to a county or be of local importance (belonging to a municipality, town or commune).

- The semi-autonomous state-capital enterprises and the commercial societies, wholly owned by the state, which deliver public services will be transferred under the authority of the local and county councils.

5. The Law on Expropriation for Public Interest (33/1991).

- According to this Law the expropriation of real estate can be made only for public interest by decision of the court and with just and prior compensation.

- It lists the works of public interest.

- With regard to housing construction, the expropriation can be made only in order to build social housing

- It establishes the procedure for declaring the public interest.

- It specifies the procedures for declaring the expropriation, establishing the amount and the way of paying the compensation and the possible means of use, retrocession and appeal.

B. PROPOSED LEGISLATION.

1. The Law for Cadastre and Real Property Registration.

This draft is in its final stage of approval by the Parliament.

- It proposes a unitary and compulsory system of land and real property registration, organized in each administrative unit and at national level.

- The goal of the cadastre registration is the best use of the existing land and of real property, the definition of the component elements necessary to establish a system of taxes, as well as the collection and processing of the necessary information, in order to produce town and regional planning studies and plans.

- The technical, economic and legal data concerning the basic elements such as the plot, the building and the owner must be registered.

- A National Office for Cadastre, Geodesy and Cartography, together with county offices will be created.

- The legal procedures concerning the property registration will remain with the cadastre offices of the judicial courts.

- The real property rights are confirmed through legal deeds only after being registered in the cadastre documents, thus insuring the cadastre registration.

2. Law on the Public and Private Patrimony of the Administrative Units.

This bill aims at completing the regulations concerning the transfer of the goods and values of local interest from the ownership of the state into the patrimony of the counties and of the towns and communes.

2.8.4. Building Activities and Housing Construction.

A. CURRENT LEGISLATION.

a. Legislation adopted before December 1989.

1. The Decree of the State Council on some measures concerning the seismic zoning of the Socialist Republic of Romania (66/1977).

Following the earthquake of March 4, 1977, a decree was promulgated containing enhanced measures of protection against the hazard of earthquakes.

Seismic zones with higher degrees of seismic intensity have been established, following the earthquake which had occurred. New improved antiseismic standards were to be established.

b. Legislation adopted after December 1989.

1. The Law for authorizing the constructions and on some measures concerning the housing construction (50/1991).

- This Law establishes and regulates the requirements aiming at authorizing or demolishing constructions. The need of a Building Permit is being reinforced.

- The Townplanning Certificate is being introduced. It specifies the judicial, economic and technical status of plots and buildings.

- It regulates the procedures for the concession of land for constructions.

- Ways of providing financial assistance by the state for the construction of houses and holiday residences are formulated.

- The law spells out the responsibilities and establishes sanctions and fines.

2. The Law on the quality of construction (10/1994).

- This law institutes a comprehensive system concerning the quality of constructions.

- The constructions are classified according to categories of importance.

- The law formulates the compulsory requirements for a construction to be built, after obtaining the advice and agreements requested by the law as well as the building permit.

- It introduces the state control in the field of the quality of construction, during all stages of the construction process and with regard to all the components of the construction-quality system. The State Inspectorate for Construction is the agency in charge with the above-mentioned control.

3. The Law on the approval of the Ordinance nr.20/1994 concerning the security of the existing building stock (81/1995).

The law came as a result of the existing need that the construction of new buildings and the maintenance of the existing building stock be carried out under conditions which would not be hazardous for the life of people and animals and to the security of the goods and the environment, due to the seismism of Romania's territory, the unsatisfactory situation of the existing building stock and to the appearance on the construction market of a large number of companies and firms.

- According to this law, the owners of the buildings affected by the earthquakes have the obligation to insure the security of those buildings.

- The technical check-up of the housing stock will be free of charge with no connexion to the type of property.

- Credits are provided for financing the projects and the implementation of security measures.

4. The Law on modifying the Law nr.50/1991 (the Government Ordinance nr.4/1991 - concerning the modification of the Law nr.50/1991) (82/1995).

- Among other prescriptions it specifies that the employees of the State Inspectorate for Construction are entitled to control and sanction the ascertained infringements.

- At the same time the law establishes the level of sanctions and the attributes of the competent authorities, according to the Constitution and the Law nr.69/1991.

B. PROPOSED LEGISLATION.

1. The Law on modifying and expanding the Law nr.50/1991.

- The draft law proposes the reinforcement of discipline in the field of construction, by increasing the amount of fines. The constructions built on the public

domain without building permits will be demolished through administrative decisions by the competent public authority, without the intervention of the judicial authorities.

- Some infringements become offences, thus enhancing the disciplinary character of this law.

2. The Law on the Construction Insurances.

- It formulates requirements concerning a unitary system of construction insurances.

2.8.5. Public Works.

A. CURRENT LEGISLATION.

a. Legislation adopted before December 1989.

1. The Law of roads (13/1974).

This law has a specific technical character.

2. The Law on the organization, design and execution of roads inside the urban and rural settlements (37/1975).

This law has also a specific technical character.

b. Legislation adopted after December 1989.

1. The Government Decision for the approval of the Rules concerning the organization of tenders, the submission of bids and the adjudication of designing public investments (727/1993).

- The public investments financed totally or partially from the state budget, from the local budgets, out of foreign credits or from the own funds of the semi-autonomous state-owned enterprises are adjudicated by public tenders.

- This decision spells out also the regulations for organizing the tenders.

2. The Government Ordinance concerning the acquisition of goods and the public investments (12/1993).

- The ordinance settles the way to make acquisitions by acquiring necessary entities and defines the public investments.

- It establishes how to appraise the contractors' qualifications, the procedure of preselection, the contractors' participation and the organization of tenders.

- It defines the circumstances when the acquisition can be made out of a single source.

3. The Government Ordinance concerning the stimulation of the investments for public works and housing construction (19/1994).

- This ordinance contains provisions for the completion of the unfinished housing structures and equipment. It is supposed to use a fund established in the year 1993 and

completed through annual budgetary provisions, as well as through funds obtained by selling the dwellings built by the state.

- A grant from the state budget is provided for owners once, in order to build privately-owned houses for young couples under 30 years, invalids, handicapped persons as well as for the casualties and the families of those killed during the December 1989 Revolution.

4. The Government Ordinance concerning the conditions for concessioning the construction and the management of land-transportation tracts (motor ways and railroads) (30/1995).

- This ordinance spells out the facilities provided by the state to the concessioning agents, by offering the necessary land, exemptions of taxes for building permits, exemptions of paying the dues during half of the duration of the concession, exemption of V.A.T. on payments charged by managing the concessioned motor ways and rail roads, as well as other facilities.

B. PROPOSED LEGISLATION.

1. The Law on Public Transportation.

This law deals with regulations concerning the organization and management of public transportation.

2. The Law on Public Communal Services.

This law formulates provisions concerning the organization and management of public communal services.

3. The Housing Law.

This law will settle, among other issues, the conditions for carrying out public works, such as social housing and service dwellings, accompanied by the necessary infrastructures.

2.8.6. Public Finance and Housing Financing.

A. CURRENT LEGISLATION.

b. Legislation adopted after December 1989.

1. The Law on Public Finance (10/1991).

- This law stipulates that the local budgets are composed and executed according to the principles of universality, balance and reality, applied to the specific character of each budget.

- It specifies the way of approving the budgets.

- Transfers can be operated out of the state budget of the central administration for the benefit of the administrative units, in the case when these units cannot cover their

expenditures from their own revenues. These transfers are aimed especially at: a) investments for public utilities, such as water supply, sewerage, roads, district heating, etc. and b) for the social protection of the population (in order to compensate for some prices and tariffs for public services).

- Local authorities can make loans for well justified actions, issuing bonds to be reimbursed after maximum 10 years.

2. The Government Decision concerning the provisions of financial resources necessary to resume the investments for the housing constructions which are in various stages of execution (391/1993).

- It provides for the establishment of a deposit of 25 billion lei in order to resume the housing construction process.

- It specifies the repartition of the funds among the counties and the Bucharest municipality.

- The decision constains also methodological norms concerning the creation and the ways of spending the funds, as well as a program of implementation of measures and of completion of the unfinished dwellings.

3. The Law on local taxes and charges (27/1994).

- This law establishes the annual tax on buildings. For individual persons it is 1% of the value of the construction, according to the evaluation norms, contained in the same law. The institutions and legal bodies have to pay a tax of 1,5% of the building value.

- The tax on land is established in leis per sq.m. in relation to the category of the settlement and to the zone where the building is located, as decided by the local councils.

- Charges are established for using the transportation means, the public areas, the facilities for publicity, for visiting the cultural amenities etc.

- Taxes are being established in the field of building activity, such as for delivering the town-planning certificates, the advice and the building permits. In the case of building permits, the tax represents 2% of the authorized value of the construction. For housing constructions it is reduced to 1%.

B. PROPOSED LEGISLATION.

1. The Law on Public Finance (a new law).

- According to the new draft law which is examined by the Parliament, there is no subordination of the budgets of the local councils to the counties budgets.

- The budgets of the local councils will be financially totally autonomous.

- The law spells out the way of approving the technical and economical components of the feasibility studies. The competence of the local public authorities of the administrative units is being defined and related to the updated value of the investment

2.8.7. Privatization of the Housing Stock.

A. CURRENT LEGISLATION.

b. Legislation adopted after December 1989.

1. The Decree-Law concerning the selling of dwellings built using state funds (61/1990).

- This decree which was promulgated immediately after the Revolution, allows the selling of the state-owned dwellings to the tenants, on long-term loans with an interest of 3%.

- The income resulting from the selling is going for establishing a fund to be used for the completion of the housing under construction.

- The dwellings thus bought cannot be resold during a one-year period.

2. The Law concerning the selling of housing and buildings with other uses than housing built using state funds or funds belonging to state enterprises or to agencies financed by the state (85/1992).

- The Law extends the provisions of the Decree-Law nr.61/1990, concerning the selling of dwellings built by using state funds.

- The dwellings are being sold to the sitting tenants living in apartments built by state enterprises and agencies, such as insurance companies, banks, semi-autonomous state-own enterprises, societies, etc.

- Excepted are the dwellings which by their surface exceed the surfaces established by the norms, the luxury apartments as well as the dwellings used for representation or occupied by dignitaries.

- The prices are up-dated, compared to those established by the Decree nr 61/1990.

- The law specifies the conditions under which certain spaces used for commercial and service activities can be bought through public tenders.

- The law applies only to individuals having the Romanian citizenship or to institutions located in Romania.

3. The law on the judicial settlement of the situation of certain housing constructions which have passed into state ownership (112/1995).

- This law deals only with the houses which went into state ownership through nationalization and by deeds, after March 6, 1945 and which were under the ownership of state or of public institutions, as of December 22, 1989.

- The former owners and their heirs are to be compensated for their lost properties by receiving back an apartment under the condition of living in it or if it is unoccupied. For other dwellings they owned they are going to receive a compensation which is not supposed to exceed the sum of the average wages per national economy of an

employed person, during a 20 years period, calculated at the time when the compensation is being provided.

- With the exception of the situation when the former owner lives in the apartment, which was taken by the state, the sitting tenants may buy the nationalized apartments they are occupying.

- The apartments can be bought either by a single payment or by deferred payment. When concluding a contract for the deferred payment by instalments, a downpayment of 30% of the apartment value shall be made. The instalments will be deferred for a duration of 15 years. The newlywed, under the age of 30, as well as people over 60, will make a downpayment of 10%. The instalments will be deferred for a 20 years period.

- The law applies only to Romanian citizens.

- If an owner lived on December 22, 1989 in his apartment, together with other tenants, they will have to leave the apartment after being offered adequate dwellings.

- The former owners which are going to receive back their apartments will not be entitled to sell them during the next 10 years.

- The restitution does not apply in the case of confiscated properties by penal legal decisions or according to the law nr.18/1963 concerning the ownership of illegally obtained goods.

- The legal situation of other categories of real estate properties, which are not covered by the provisions of this law and which went into state ownership - including those demolished for public interest - will be dealt with through other special laws.

2.8.8.Housing Management.

A. CURRENT LEGISLATION.

a. Legislation adopted before December 1989.

1. The Law concerning the management of the housing stock and the relations between owners and tenants (5/1973).

- This Law contains a number of definitions and norms concerning the state-owned dwellings in terms of the number of rooms and inhabitable area, and of families and people occupying it.

- It regulates the way of renting the state-owned housing stock, the amount and the way of paying the rent and the amount of rent to be paid for buildings which are not used as dwellings.

- It specified the duties of the tenants and of the state, concerning the maintenance, repair and use of the state-owned housing stock.

- It contains provisions concerning other kinds of dwellings and those privately owned.

- The law formulates provisions for the functioning of tenants associations.

b. Legislation adopted after December 1989.

1. The Law concerning the extension or renewal of rental contracts concerning some living units (17/1994).

- In order to protect the tenants rights, the existing rental contracts are being extended for a period of 5 years.

B. PROPOSED LEGISLATION.

1. The Housing Law.

This draft law has been submitted to the Parliament. It aims at settling in an unitary way the access to housing, the way of renting it, the housing management, the minimal housing standards and the creation of a legal framework for the functioning of tenants associations. Thus this law:

- aims at formulating standard procedures comparable to the general European ones, concerning the minimal construction norms dealing with surface and equipment, related to the number of people composing a family occupying a dwelling.

- housing construction will be developed using a series of fiscal stimulants.

- it regulates the relations between owners and tenants and insures the legal framework for the protection of these two social categories.

- it envisages the development of a social housing sector for the benefit of people and families having small revenues. It establishes a rent-control system through subventions provided by the local public administrations.

- a system of rent calculation is going to be created, so as to offer the material means, capable of sustaining the maintenance and repair necessary during the life of the constructions.

- it creates the legal framework for the functioning of the tenants associations (this draft law deals with the problems specific for a condominium law).

2.8.1. Regional and Urban Planning.

A. CURRENT LEGISLATION.

b. Legislation adopted after December 1989.

1. The Annex to the Law for authorizing the constructions and on some measures concerning the housing construction (50/1991).

- While a Law on regional and urban planning is missing, the Annex to the Law nr.50/1991 establishes the categories of plans and studies in the field of regional and urban planning, as well as the competences for their analysis and approval.

B. PROPOSED LEGISLATION.

1. The Law on regional and urban planning.

- This Law which is being drafted contains provisions concerning:

- the contents and the object of the regional and urban planning activities.
- the contents of the regional and urban planning studies and plans.
- the procedures of analysis, approval and changes of the studies and plans, as well as the ways of consulting the population.
- the management of land and human settlements.
- the formulation of regulations and specific control activities.

2. The Law on the approval of the National Regional Development Plan

- **Section I The Transportation Network** (being examined by the Parliament).
- **Section II The Water Management** (accepted by the Government and ready to be submitted to the Parliament)
- **Section III The Protected Areas** (being evaluated by the competent authorities)
- **Section IV The Network of Human Settlements** (being drafted).

These laws will represent - after their adoption - the basic structure, the guidelines and the strategies necessary in order to achieve the regional development of Romania's territory, considering its major components applied to local administrative levels (counties, towns and communes) on a short, medium and long term.

2.8.1. Protection of the Environment.

A. CURRENT LEGISLATION.

a. Legislation adopted after December 1989.

1. The Law on the Protection of the Environment (9/1973).

- According to this law the protection of the environment is an issue of national importance and is subordinated to the general policy of planned economic and social development of the country (This kind of provision was one of the reasons why it was necessary to draft a new law, which is currently being adopted by the Parliament).

- It establishes duties in its specific field of interest for all state, cooperative and community authorities, institutions, agencies, and organizations.

- The domains covered by the law are the air, the water, the soil and the subsoil, the forests and other forms of vegetation, the land and water fauna, the natural reservations and monuments, the human settlements and other environmental factors created by human activities.

- It creates a National Council for Environmental Protection and Commissions at the level of the counties and of the Bucharest Municipality.

2. The Law on Water Resources (8/1974).

- This law deals with the way of using and protecting the water resources.

- The National Council for Water Management is responsible for the management on a national scale of the water resources.

- The National Council for Water Management establishes Commissions for monitoring the quality of water. They are organized by hydrographic basins and will be guided by the existing water management enterprises.

- A special chapter deals with the protection and management of riverbeds and the protection against floods.

- It regulates the design, execution, maintenance and management of works being constructed on water courses or which are related to water.

- In order to control the management of water resources, it is created a State Water Inspectorate in the framework of the National Council for Water Management.

3. The Law on rational water resources management and their protection (5/1989).

This law is completing the Law on Water resources (8/1974).

- It reformulates many of the provisions contained in the Law on Water resources.

- The ministries and the local public authorities are responsible for the management and protection of water resources through their subordinated units.

- The use of water by economic enterprises takes place on the basis of a Permit.

- A National Plan for the Organization of Hydrographic Basins will be prepared.

- The duties and responsibilities of enterprises and other units are enhanced, in order to use the water more efficiently and more rationally.

b. Legislation adopted after December 1989.

1. The Law on the establishment of the Reservation of the Biosphere "The Danube Delta" (82/1993).

- This Law establishes the Reservation, created in order to protect and conserve the zone of the Danube Delta, which has the value of a national and universal patrimony. The Reservation aims at insuring normal economic activities and the development of human settlements, in correlation with the supporting capacities and the natural resources of the zone.

- It establishes the Administration of the Reservation under the guidance of a Scientific Council and an Executive Board both chaired by the Governor of the Reservation.

- The territory of the zone constitutes a natural patrimony being part of the national domain of public interest.

- The Administration of the Reservation co-ordinates the main activities carried out on the territory of the Delta.

- In order to put to the best use the land and water resources of the areas, which can bring economic gains, it is allowed to put land and water areas under concession.

- Sanctions and fines are established taking into account the specific conditions of the Delta.

2. The Government Decision concerning the definition and sanctions of infringements of the law in the field of the management of water resources (138/1994).

- In order to protect the water resources, this Government decision spells out in detail the infringements specific to this domain and the fines to be applied.

B. PROPOSED LEGISLATION.

1. The law of the Environment Protection.

This law is in an advanced stage of approval by the Parliament.

- Among the principles which have inspired the law one has to specify:

- the recognition of everyone's right to a safe environment.
- precaution when taking decisions.
- prevention of ecological hazards and damages.
- the need to maintain the biodiversity and the natural ecosystems.
- comprehensive monitoring of the environment at the national level.
- reconstruction of affected areas based upon the obligation of those who pollute to pay.
- participation of the non-governmental organizations and of the population to the formulation and implementation of decisions in the field of environmental protection.
- harmonization of the environmental policies with the programs of economic development and the regional development plans.

- The basic issues dealt with by this law are: the regulation of the economic and social activities producing a negative impact on the environment, the protection of the natural resources and the conservation of the biodiversity.

- The authorities involved will issue Agreements and Environmental Permits.

- The law regulates the protection of water resources and of aquatic ecosystems, of protected areas and of natural monuments.

- A special section deals with the protection of human settlements.

- The law formulates the attributions and responsibilities of the central authority and of the territorial agencies for the environmental protection, as well as of the central and local public administrations.

- The law establishes the National Environmental Fund as a special deposit, additional to the budget, in order to sustain the achievement of the objectives included in the national strategy concerning the environmental protection.

- The law specifies the activities requiring the evaluation of their impact on the environment.

2. The Law on the Forest Code.

This law will regulate the problems concerning the management of the forest lands.

3. The Law on Water Resources.

This law makes provisions concerning:

- The establishment of the rules for using the water resources under all kinds of ownership which is an exclusive right of the Government. This right is carried out through the Ministry of Water Resources, Forests and Environmental Protection (with the exception of geo-thermal waters).

- The water resources located on the public domain are transferred by the specific Ministries into the administration of the Regie Autonome "The Water Resources of Romania".

- The water management activity is organized according to the hydrographic basins and is directed by Basin Committees.

- The management of water resources is based upon the principle of human solidarity and common interest.

- The right of using the water resources is established by the Water Management Permit.

- The law establishes the regime of using the water resources and the river beds, the procedures of water management, the participation of the population, the control of the water management activity and the economic mechanism ruling the activities concerning the water resources.

- A Central Commission for the fight against floods has been created, as well as against other negative phenomena determined by water resources management. In case of a disaster this commission becomes subordinated to the Governmental Commission for the Protection against Disasters.

- A special extrabudgetary fund called the Water Resources Fund is being established, in order to make investments in this field.

2.8.11. Protection of the National Cultural Heritage.

A. CURRENT LEGISLATION.

b. Legislation adopted after December 1989.

- 1. The Decree-Law on the Ratification of the Convention concerning the World Cultural and Natural Heritage, adopted by the UNESCO General Conference of November 1972 (187/1990).**

- 2. The Law on the approval of the Government Ordinance nr.68/1994 concerning the protection of the national cultural heritage (41/1995).**

- This law defines the national cultural heritage, composed of real goods and movables.

- Administrative and practical measures are being established with regard to the competence, evidence, management and the protection of the national cultural heritage.

3. THE DEVELOPMENT OF URBAN AND RURAL SETTLEMENTS

3.1. Urbanization and the development of cities

In a historical perspective, the development of human settlements - in terms of time and space - and that of cities in particular, has been a complex and continuous social and historical process.

Urbanization was also a continuous process, reflected both in the increase of cities in number and in population.

Historical data on the development of human settlements on the territory of Romania bear witness the existence of a great number of Dacian settlements as early as the 3-rd century B.C., reflecting the development of the Dacian culture.

When Dacia was conquered by the Romans, urbanization gained momentum, and a whole system of urban settlements was created.

Between the 3-rd and the 10-th century A.D., the urban population was concentrated in fortresses, which had a leading administrative function, while rural settlements developed around them in the hilly- and mountainous areas.

As of the 10-th century began the development of boroughs, a process that attained its peak in the 13-th and 14-th centuries.

During the 18-th and 19-th centuries there was an accelerated formation of urban settlements, along with the development of new economic functions.

In its historical evolution, the urbanization process in Romania created three types of urban settlements: the fortress, the borough and the city. These three genetic categories have had distinct characteristics in terms of functions and spatial development. They can be retraced in the historical evolution of the existing cities, helping to understand their development, stagnation or social and economic involution.

A great number of the existing cities still carry the imprint of their historical and typological genesis, as medieval fortresses, boroughs, city-ports, ancient mining centres, health resorts, etc. They bear witness of a valuable cultural heritage, which has to be preserved for future generations.

The various stages of the urbanization process can be best identified through the demographic data of the successive Censuses (Fig. 10) that have been carried out in the 20-th century, starting in 1912.

It can be noticed that urban population increased three times between 1912-1966 and six times up to 1992. Over the same period, the number of cities increased by 64 and respectively by 141.

EVOLUTION OF THE URBAN POPULATION 1912 -1992

Population increase in cities by size - categories

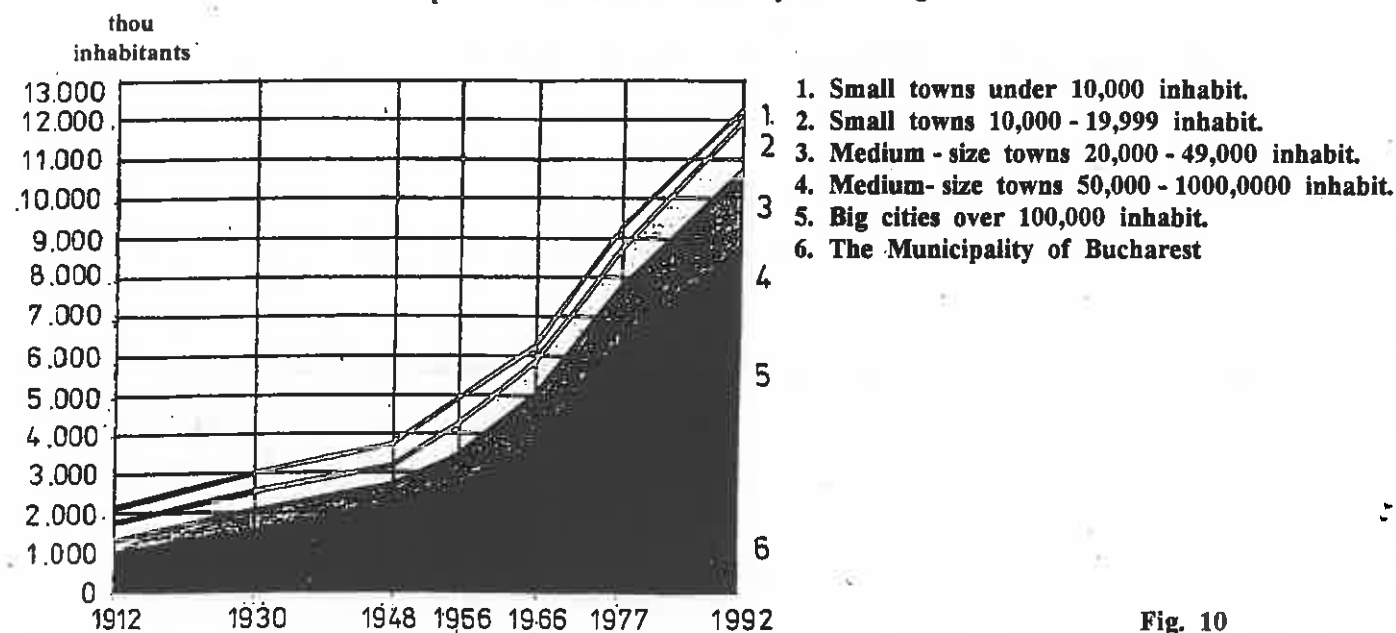


Fig. 10

As of 1966 the urbanization was marked by an accentuated industrialization process, i.e.:

- the growth rate of the urban population was higher than the overall population growth rate (199.2% as against 119.1%);

- over 50% of the population growth in urban areas was due to rural-urban migration (Fig. 11);

POPULATION INCREASE IN MUNICIPIES AND CITIES

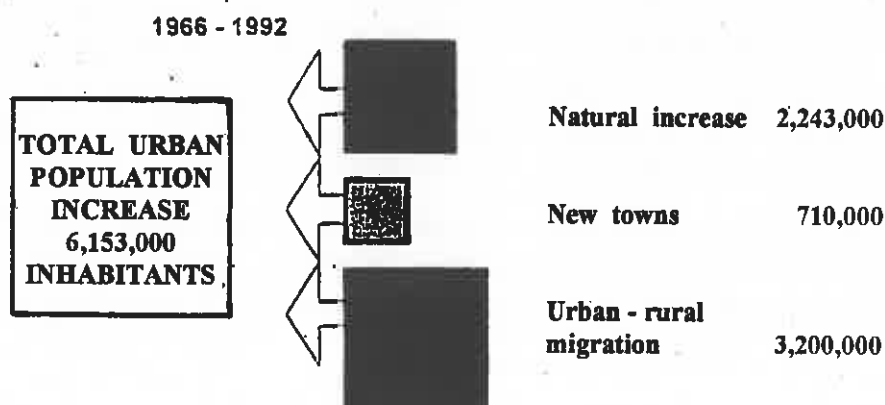


Fig. 11

-there was a rapid concentration in big cities (with over 100,000 inhabitants), in 1992 there were 25 cities in this size category (including the capital - city of the country), concentrating 57.5% of the total urban population.

Presently (1995) the distribution of the urban population by size categories of cities is as follows:

Size categories by no. of population	Number of cities	Population	%
Bucharest	1	2,057,355	16.5
over 250,000	8	2,573,972	20.6
100,000 - 249,999	16	2,519,635	20.2
50,000 - 99,999	23	1,737,427	13.9
20,000 - 49,999	62	1,944,532	15.6
10,000 - 19,999	84	1,156,957	9.3
5,000 - 9,999	57	442,789	3.6
under 5,000	11	36,392	0.3
TOTAL	262	12,469,059	100.0

Over the 1966-1995 period a number of 79 settlements were declared as cities (most of them middle - size and small cities).

Rural-urban migration was absorbed mainly by the big cities and the middle sized ones, as those cities were most attractive in terms of jobs, services and housing.

The capital - city of the country - Bucharest - exerted a particular attraction for the population in all the regions of the country. Census data in 1992 revealed that about 23% of the present inhabitants of Bucharest have their origin in the counties surrounding the Capital and that about 20% came from the counties of Moldova. Four of the counties - Timis, Constanta, Brasov, Hunedoara - with an accelerated development rate, attracted large migration flows.

The accelerated urbanization process after 1966 that accompanied an equally accelerated industrialization, resulted in areas of urban concentration, on the one hand, and in areas of stagnation and involution, on the other hand.

The spatial development of cities took over large agricultural and forest zones. Meanwhile, villages surrounding the cities and the towns were included in urban areas.

Attempts were made to limit - by administrative measures - an excessive growth of some big cities (14 of them where access was restricted) and their spatial expansion (by establishing restrictive city limits).

Many city - structures were subject to brutal interventions. Some of them damaged irreversibly the city-fabric, such as the creation of high-density residential estates, the cutting through of thoroughfares which disrupted the historical fabric of the city and the areas of high cultural value.

Massive investment in new construction, neglecting the overdue renovation and rehabilitation of the valuable historical building stock, resulted in a huge backlog in the management of cities.

3.2. The network of rural settlements.

Challenges in the rural areas.

Presently, the 10.316 million persons living in rural areas account for 45.3% of the total population.

Rural areas cover up to 89% of the area of the country. These large regions contain most of the country's agricultural, tourist and therapeutic resources, revealing the dimension and importance of the rural regions in Romania.

The network of rural settlements contains 13,104 villages forming 2,688 communes.

The great number of villages and their distribution is the consequence of the historical process during which were shaped the community life and the socio-economic relations throughout various geographic regions.

In the hilly areas and on the plateaus, most of the villages are of medium size (with a density of 6-9 villages per 100sqkm). In the mountains, villages are small in size. The biggest rural settlements were developed on the plains, in the large arable areas.

Over the last decades, the evolution of the rural settlements was largely influenced by the urban-rural relationship, as it developed under the influence of the processes of industrialization and the collectivization of the agriculture.

Migration to urban areas resulted both in changes in the rural settlement's network and in the demographic structure of the rural population.

The migration flows involved mainly the young, dynamic and innovative population groups, thus reducing the vitality and the viability of the villages. This way, one fourth of all communes lost a contingent of population of about two thirds of their active age - group (the population between 15 and 59 years). See Fig. 12 for the demographic evolution of the rural areas in the last three decades.

EVOLUTION OF THE RURAL POPULATION BY COUNTIES

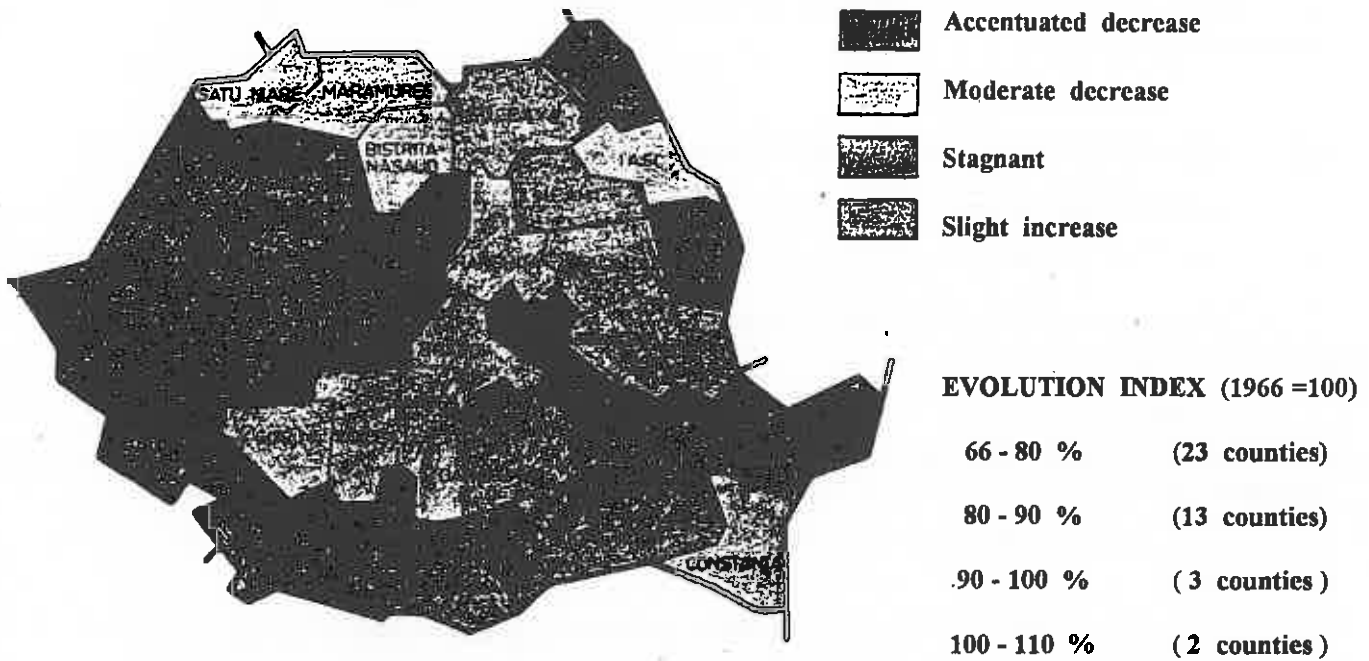


Fig. 12

The aging of the rural population became a continuous process after 1966 (Fig. 13). Combined with the overall decrease of the rural population, aging became critical in certain areas, where the average age is frequently over 40, reaching 50 in some villages.

THE ELDERLY POPULATION AGED 60 AND OVER

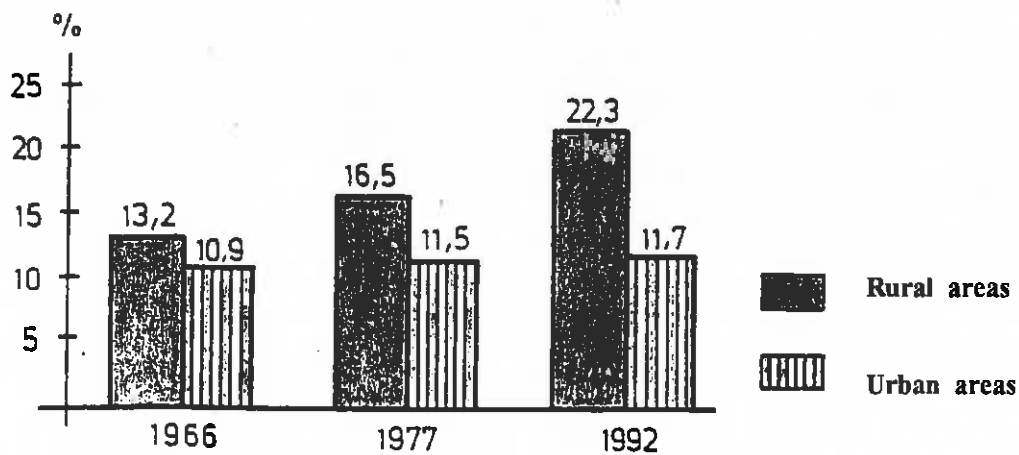


Fig. 13

Population decrease covers sometimes larger compact areas, as an expression of a set of common conditions that led to the loss of population.

Still, migration and population decrease did not reach the critical threshold that would result in the total abandonment of certain areas.

As a corollary to the rural-urban migration and of the out-flow of the young active male population, there is a notable aging and feminising of the agriculturally active population. At the 1992 Census, 40% of the active population in agriculture was over 50, out of which 53% were women.

The above phenomena might have serious consequences in agriculture and on the sectorial balance of the economy as a whole, if a future rejuvenation would not take place in the rural areas.

The changing demographic structure is being reflected also in the reduced size of the households. In 1992, almost half of all rural households (47.1%) consisted of 1 and 2 persons, as against 39% in urban areas. There is also a high proportion of pensioner-households (42%) with a very low income.

One of the main challenges in the rural areas, and a main cause for dissatisfaction, is the low level of infrastructure, as reflected in the table below:

Communal infrastructure for housing in rural areas (1992)

Types of infrastructure	%of housing units
Piped water	14.3
Piped sewage	10.0
Electric energy	93.6
Hot-water supply	4.9
District or central heating	4.4

4. THE EVOLUTION OF THE HUMAN SETTLEMENTS IN THE TRANSITION PERIOD

4.1. Evolution of population, of families and of various social groups

In the last 6 years, the Romanian society has undergone a process of deep structural, economic and social changes. They are being reflected in the lives of individuals and communities and in the development of human settlements at large.

In **demographic terms**, the population of Romania has decreased, for the first time ever in the post war period. The decrease was due, in the first stage, to a rather active emigration, and in the second stage - after 1992 - to a negative growth - rate. By the end of 1994, three years after the last Census, the population of the country decreased by about 100,000 persons. It is estimated that this trend will persist over the near future.

Projected estimates by the National Commission for Statistics are based on the hypotheses of the present trends concerning the fertility - rate, life expectancy, and migration balance. Under these trends, an estimated decrease of 300,000 persons is to be expected up to year 2000. By the year 2020, the projected population of Romania would be of 20.6 million persons. By age-groups, there is an estimated increase of 250-300,000 in the 20-30 years group, which would be a concern for employing young people.

Urban population is estimated to grow by 300,000 up to year 2000 and by 600,000 to year 2005 (as compared to 1993).

At the 1992 Census, there were a total of 7.3 million registered households, containing 5.9 million family - nuclei. From the total of family - nuclei, 57% had children, 32.3% were childless and 10.7% were monoparental. As compared to the 1977 census, there was a 6% increase in the number of households; in the meantime, the share of childless families grew by 10% and the number of monoparental households increased 1.5 times.

The average number of persons in a household was of 3.15 persons in 1992 (slightly less than in 1977, when it was 3.24). In urban areas the average figure is of 3.18 persons/household, while in rural areas it is of 3.11. The proportion of families with children is higher in urban areas (62%) than in the rural ones (50.8%).

Most families with children have 1-2 children (about 81%), 11.1% have three and 7.8% have four or more children.

Studies on the evolution of the quality of life over the 1990-1994 period, revealed that those mostly affected by the decline of their living standard are: the mono-parental households, the pensioners households with a single pension, young jobless people, families with one or more jobless members and families with many children.

The economic hardships of people mostly affected by the transition phenomena, generate a series of imbalances in the lives of families, leading to negative social behaviour such as: juvenile delinquency, vagrancy, family abandon, mendicancy.

Families with more than two children have to spend for food most of their incomes. In this category of families, an estimated 15.5% spend almost 60% for food, while 24.6% spend over 60%.

Unemployment is the most critical issue of the transition period, against the background of the overall economic decline and the development of the black labour market.

The unemployment rate rose from 3.0% in 1991, to 10.9% in 1994, showing the tendency of becoming a chronic phenomenon.

Most vulnerable to unemployment in the active population are women and young people (Fig. 14).

**UNEMPLOYMENT RATE BY DURATION AND SEX
March 1994**

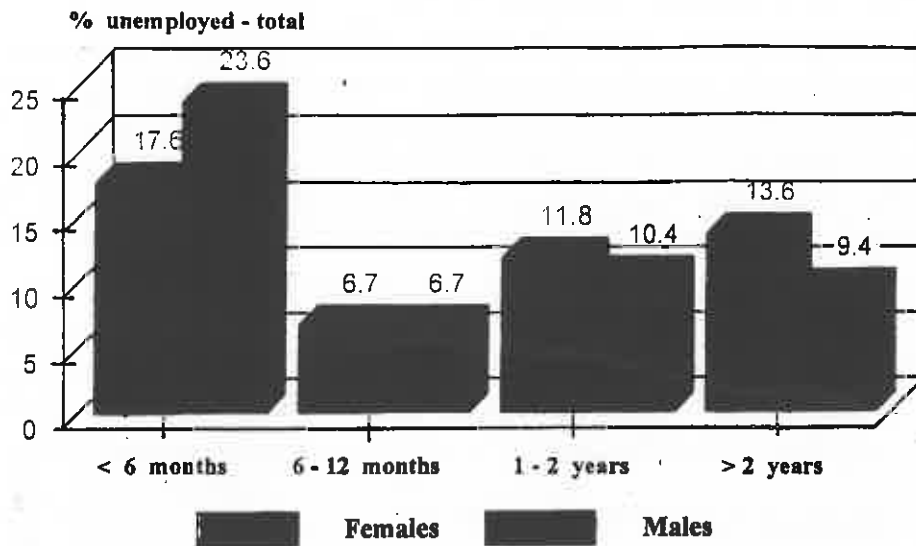


Fig. 14

By the end of year 1994, the share of women among the unemployed was of 56.6% and that of young people under 25 of 44.0%.

The condition of women in the transition period is marked both by the traditional beliefs of male-authority and the actual socio-economic situation, inducing new factors of vulnerability.

Statistical data show women's lower social status, as compared to the males' one:

Indicators	% (as against the value of the indicator for males = 100)
• Average schooling period	84.8
• Enrollment in secondary education	100.3
• Enrollment in higher levels of education	87.2
• Activity rate	81.6
• Unemployment rate	130.4
• Leading personnel	36.3
• Income per person	89.1
• Number of elected parliamentarians	3.7
• Life expectancy	110.8

By sectors of activity, women's share in leading positions requiring a university degree is of 44,8%, among technicians of 57%, of 70.4% among administrative officers and of 74.4% among employees in trade and services.

Women have a relatively limited access to various levels of decision-making, in the legislative, executive and judicial structures, though the existing legal framework establishes and guarantees free access for them in accordance with their education. Data of the 1992 Census show that the share of women in the Parliament was of 3.6%, in the local councils of 6%, in the central government of 5.9%. In the judicial structures, there are 21% of women in the ministry, 15% among prosecutors, 58% in courts and 51% among the notaries- public.

As a result of their social status and their social participation as shown above, the median income of women (from salaries) account for only 93.6% of the country average, while men's income represent 104.5%. The gap in income is thus of 10.9%.

4.2. The infrastructure of public services

The infrastructure of public services in the human settlements, the access of the population to these services and the way they have been developed in the last two decades, are main criteria in evaluating the living standards of the population.

In Romania, the communal services - both for the population and the industrial companies - are provided by specialized companies run by the public administration.

The overall technical condition of the public services is inadequate for the present requirements. That is why the population cannot be provided with good quality services necessary for a decent living standard.

By categories of services, the present situation is as follows:

-Water supply in the human settlements

Presently all 262 cities in Romania have centralized water supply systems. In the rural areas, only 16% of the villages have piped water. Some of the main characteristics of the water distribution services are shown below:

	1989	1993
• Water mains (km)	27,794.8	31,727.0
• % of streets serviced by water mains	67.0	69.6
• Potable water available (million m ³)	2,723.8	2,056.4
out of which for households	44.0	55.0

Despite the progress registered in 1993, as compared to 1989, the specific consumption in 1993 was only of 229 l/person as against 249 l/person in 1989

The access of the population to the public water supply system is of 54% (i.e. 12.2 million persons), with a large variation between urban and rural areas (88% versus 16%). In the last two decades most of the development took place in urban areas (Fig. 15).

RATIO OF THE POPULATION PROVIDED DRINKING WATER BY PUBLIC NETWORK

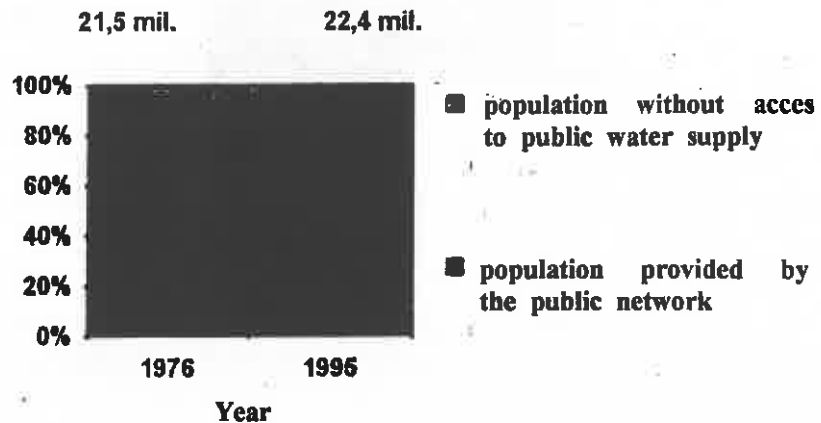


Fig. 15

Sewage and waste-water treatment

Presently, a number of 578 settlements are equipped with public sewage systems (258 cities and 320 villages), as compared to 537 settlements in 1989 (257 cities and 280 villages).

Only 49% of all streets are being equipped with sewage mains (i.e. only three thirds of the streets with water mains have also sewage mains).

There are a total of 206 waste water treatment plants, coping with 64% of the waste water carried by the public sewage system. In a great number of cities (43, including Bucharest) waste water is disposed of without treatment.

Access of population to the public sewage system is of 86% in urban areas and of 11.2% in rural areas, despite the progress made in the last two decades (Fig. 16).

RATIO OF THE POPULATION WITH ACCESS TO PUBLIC SEWAGE

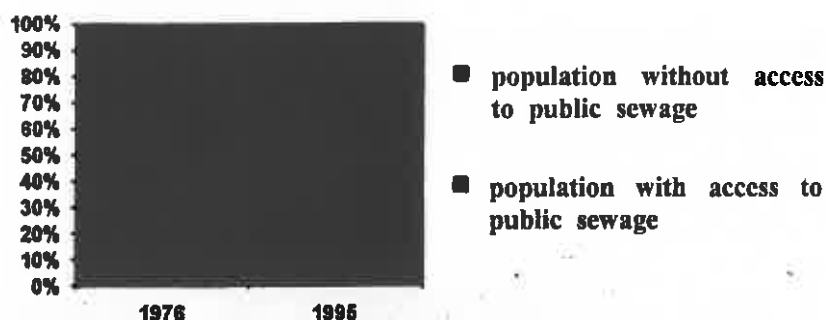


Fig. 16

The proportion of population being provided both piped water and piped sewage is 51%; 3% of the population has access only to piped water and 46% do not have access to any of these services (Fig. 17).

Electric energy is provided for almost the whole population of the country (98% in 1995 as against 85% in 1976) as shown in figure 18.

Over the 1989-1993 period electricity was introduced in 213 settlements, by extending the national grid by an additional 16,000km (especially low voltage lines; their density is now of 1.8 km/sqkm).

The energy consumption of the population was in 1994 of 300 kWh/person (accounting for 13.3% of the overall consumption).

Street lighting increased by three times in 1994 as compared to 1989.

Natural gas is provided in 554 settlements (152 cities and 402 villages) for a total of 7.3 million persons (out of which 6.9 million in urban areas).

As compared to 1989, the pipelines were extended by 2,000km and consumption rose by 26 9%.

The specific energy consumption was in 1993 of 3,052 kgcc/year, an indicator by which Romania is ranking 53-rd worldwide

ACCESS OF THE POPULATION TO PIPED WATER AND SEWAGE

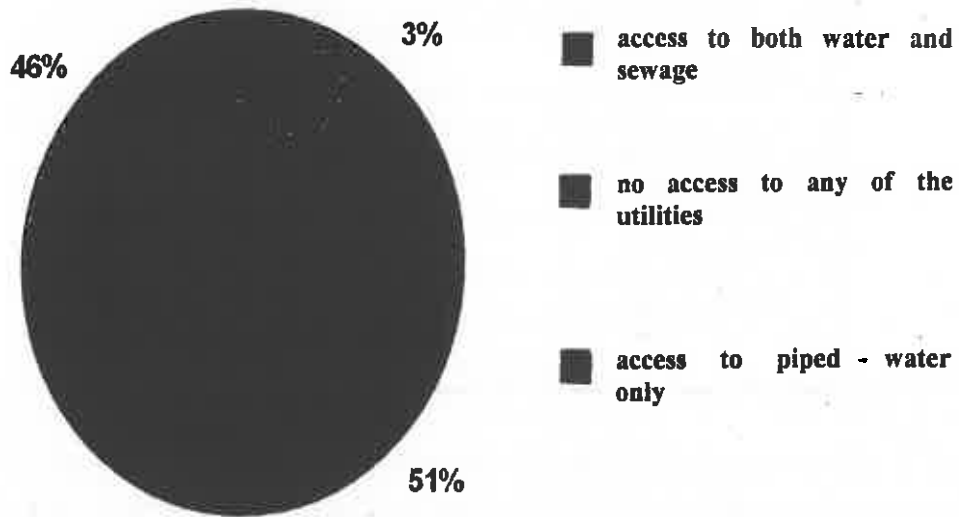


Fig. 17

ELECTRIC ENERGY - SUPPLY

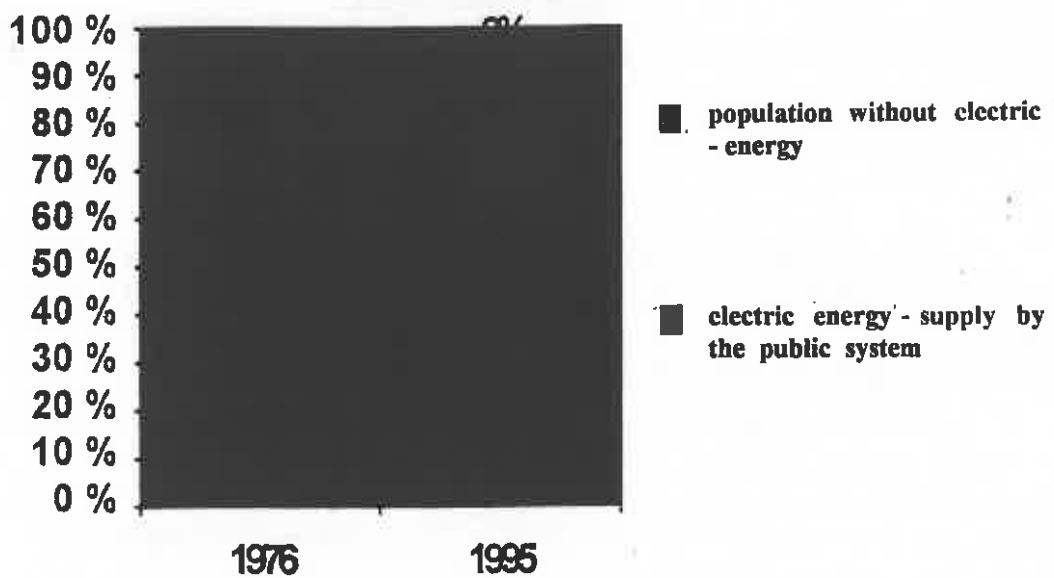


Fig. 18

Heating by centralized systems has been developed mainly in urban areas (district heating is provided for 70% of the urban population).

The overall picture of heating by various systems is shown below:

Systems of heating	%
• District heating	26.6
• Other central-heating systems	12.0
• Natural gas	4.9
• Wood stoves	56.4
• Thermal water	0.1
Country total	100.0

As it can be noticed, a significant development took place in the last 20 years especially in the urban areas (Fig. 19). Still, there is a huge backlog in terms of providing good quality communal services.

ACCESS OF THE POPULATION TO THE MAIN PUBLIC SERVICES IN 1995 -%

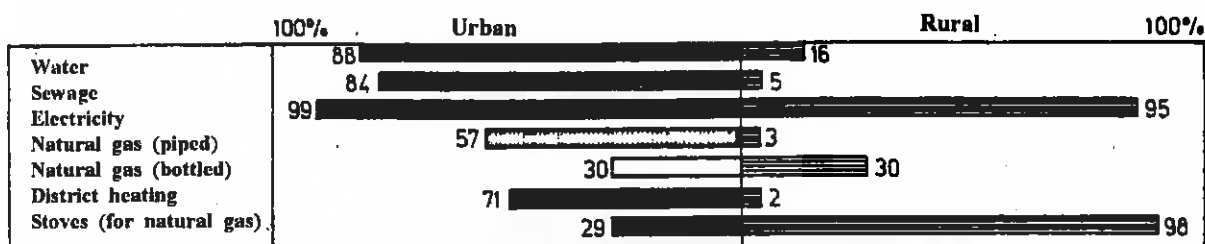


Fig. 19

After 1990, with price liberalization and the phasing out of state-budget subsidies, most of the shortcomings of the communal services became more evident, both quantitatively and in terms of quality. The latter are due mostly to the obsolescence of the equipment, system leakages, and the lack of metering.

Even with the phasing out of subsidies, the actual cost of communal services is lower than in other European countries: the cost of water was 0.1 USD in 1994, and that of one kWh of electric energy was 0.24 USD. An average household (of 3.06 persons) in urban areas spends about 7% of the median income for communal services (water, sewage, energy, heating, waste disposal).

The infrastructures of human settlements include also:

-**The network of streets** out of which 57.8% is modernized (in 1993).

-**Green areas** in cities (parks, public gardens, sport amenities) covering an area of about 21,000ha, i.e. 16.7 sqm/urban inhabitant.

-**Public transportation** has been developed in 169 cities. After 1989 new trolleybus lines (179.4km) and 5.4km of metro lines were created.

Urban public transportation in 1993

	Number of vehicles (1,000 passengers)	Number of passengers (1,000)	Number of passengers 1993/1989 (%)
• Buses	48.0	1,364,282	88.5
• Trams	18.2	766,409	81.3
• Trolleybuses	7.2	331,211	89.8
• Minibuses	1.5	5,477	19.1
• Bucharest subway	4.0	172,036	63.3

The decrease in 1993 of the number of passengers using public transportation is due - partly - to the growing number of cars: from 5.45 cars/100 persons in 1990 to 8.56 cars in 1994.

Household waste is being collected and disposed mainly in open landfills:

Types of disposal	%
• Recycling	2.0
• Incineration	0.1
• Open landfills	97.9

As it can be noticed, the degree of processing household waste is still very low. Incinerating plants were built in Bucharest and five other big cities (Craiova, Constanta, Galati, Iasi, Timisoara).

In 1994, household waste amounted to 352 kg/person/year. Open landfills all over the country cover about 1,000 ha. Most of the capacities have been exceeded and the present landfills represent important sources of pollution of the air and the soil.

4.3. The infrastructure for education

As of 1994 in the schools and other educational institutions there were 119,357 classrooms, 19,181 laboratories, 4,567 gyms and 10,541 schoolworkshops.

By education level, the infrastructure for education has the following structure:

Level of education	Number of classrooms	Laboratories	Gyms	School workshops
TOTAL (%)	100.0	100.0	100.0	100.0
• primary and pre-secondary	71.1	40.3	70.9	39.3
• secondary and vocational	25.1	29.6	26.6	56.0
• highschool and university	3.8	30.1	2.5	4.7

In highschools and universities, in 1994, there were only 5 sqm/student, falling short of a necessary 10-12 sqm/student in technical universities, 8-9 sqm/student in medical schools, and 7-8 sqm/student for other profiles.

Over the last years there was a steep increase in the number of students attending economic and law schools, whereas by now they have only 2.5 - 3 sqm of space per student.

Most of the educational institutions are in urgent need of repair, rehabilitation and modernisation.

4.4 Health-care infrastructure and medical services

Presently, medical services for the population are provided by three health-care systems:

- * the public system, organized by the state and managed by the Ministry of Health, providing medical services for the whole population of the country;

- * the special public system for transport-employees and the military, organized and managed by the respective ministries;

- * the private system, developed after 1989.

Currently, the Ministry of Health is carrying out the reform of the health-care system by creating the new legal framework for its implementation.

The largest health-care system in Romania is that of basic medical services, provided by a number of 3,944 units on a territorial basis. In eight counties of Romania, a

new system is being experimented with the objective of replacing the territorial criteria of the basic health-care by freely chosen "family doctors".

Specialised medical services are provided by polyclinics (their number was 528 in 1993) and by the newly organized "health - centres".

The network of hospitals consists of 433 units with 179,082 hospital beds (i.e. 7.9 beds/1,000 persons) and is structured by territorial levels and degree of complexity thus: rural hospitals, city- and county- hospitals, specialized- and university- hospitals.

The private system provides basic and specialized ambulatory services. There are 4,085 private medical offices, 53 polyclinics and 1,984 pharmacies.

The medical personnel consists of 44,615 physicians (i.e. 1 physician for 510 persons).

4.5. Environmental issues

Environment has a crucial role in the development of human settlements. The critical environment-issues in Romania are originated - as in many other countries - by certain economic activities, the inadequate exploitation of certain natural resources, the excessive industrialization and by the inadequate infrastructure in the human settlements.

The quality of air is being monitored in Romania by a network which in 1993 consisted of: **four main monitoring stations** located at high altitude (over 1,000 m) and a number of 750 stations surveying impact - pollution by measuring pollution and the corresponding indicators on a regular basis.

The overall pollution levels per inhabitant are close to the European averages; for sulphur - oxides and for carbon dioxide the specific emission fall short of European averages, as shown in the table below:

Specific air - pollutants (kg/person/year)

Pollutants	Years					European average in 1990
	1989	1990	1991	1992	1993	
SO _x	65.1	56.1	44.6	41.0	40.0	57.0
NO _x	23.5	22.4	19.1	15.0	13.3	-
CO ₂	8,563.0	7,373.0	6,095.0	5,430.0	5,299.1	9,605.0
CO	143.0	137.0	116.0	108.0	104.9	-

The decrease of air pollution after 1989 is due mainly to the declining industrial activities. Still, in a number of industrial cities (Hunedoara, Alba Iulia, Baia Mare) the concentrations of powders in suspension are being 25% higher than the average figures (both on daily and yearly basis).

In general, air pollution occurs punctually, in cities where large industrial estates were created in the last decades (chemical industry, oil refineries, steel mills, cellulose and paper factories), working with obsolete technologies and without proper waste-gas treatment facilities. Over the country's territory fourteen such areas were identified as **intensely polluted areas** (Fig. 20). In these areas a series of measures were taken during the last years, resulting in ecological, economic, and social benefits.

INTENSELY POLLUTED AREAS

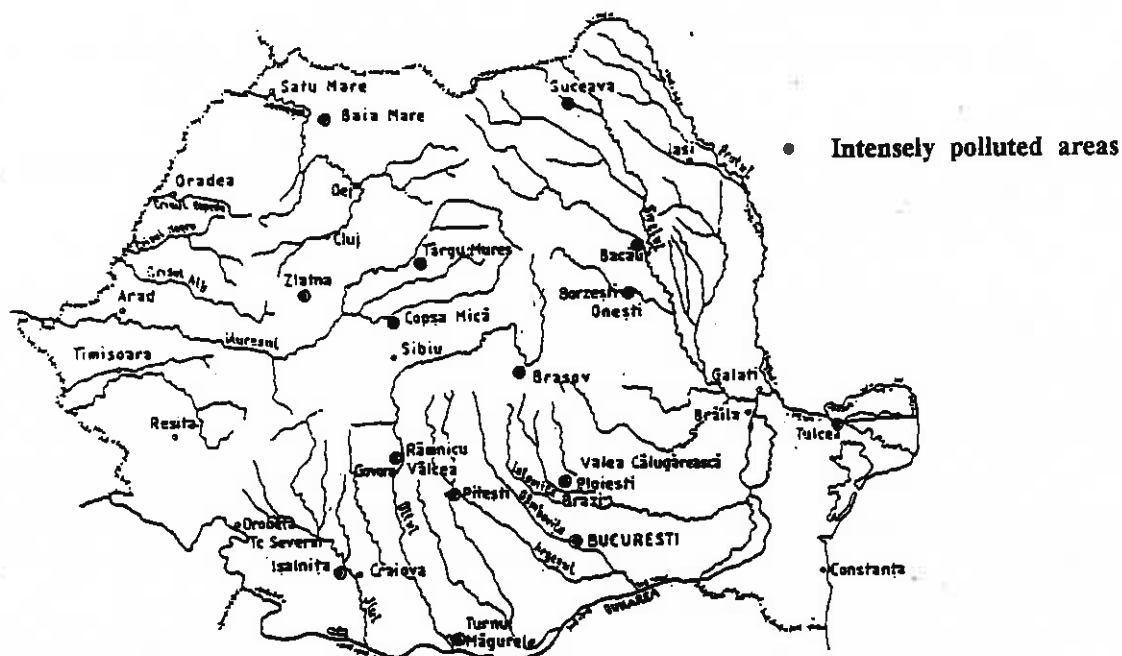


Fig. 20

The quality of water is being monitored on a number of important river-sections (accounting for 18% of the hydrographic network).

As compared to the situation in 1989, the quality of rivers improved; this was due to the declining industrial activities, to the monitoring of water quality and to the development of waste water treatment capacities.

The evolution of the quality of water (% of the monitored river sections)

Years	Categories of quality			
	I	II	III	Polluted
1989	35.00	22.00	18.00	25.00
1991	42.00	24.10	12.30	21.60
1992	54.00	20.00	11.00	15.00

- Category I - drinking water
- Category II - fish breeding water
- Category III - water for irrigation, industry, etc.
- Polluted - unsuitable for fish breeding

The Danube river carries an important quantity of pollutants resulting from upstream pollution in the neighbouring countries (especially with nitrates and organic substances). They have an impact on the Romanian section of the Danube and especially on the Danube Delta (which is a Reservation of the Biosphere).

The quality of the soil is an important issue in Romania, as arable land accounts for 39.19% of the country's territory (as against an average 44% world wide, an 88% European average, and a 55% average in the USA).

Out of the 10,000,000 ha of arable land only 3,700,000 ha are adequate for sustainable and competitive agriculture (without costly meliorations).

Beside the natural constraints (droughts, erosions, land-slides), the quality of the soil was affected by inadequate exploitation and irrigation, the uncontrolled use of pesticides and waste disposal.

Romania has a great number of natural heritage areas, where measures are required to protect endangered species of animals and plants, natural habitats and landscapes. Beside the national parks and natural reserves, the Danube Delta acquired by law the status of a Reservation of the Biosphere.

Protected areas include 122 botanical, 15 zoological, 65 geological, 58 speleological, 52 paleontological, 51 forest, 151 mixed and 8 landscape reserves.

Out of the 3,800 species of plants existing in Romania, 23 were declared "natural monuments", 290 are vulnerable and 185 are being endangered.

4.6. Social issues

In the present economic and social framework, a series of social issues have emerged in the Romanian society, generated by the hardships of the transition afflicting certain population groups and by the conflicting aspirations and opportunities present in a rapidly changing society.

The problems of the **young generation** are related mainly to the difficulties the youth faces in finding an employment. The unemployment rate in the 16-24 age group is 21.7% for males and 23.7% for females (Fig. 21).

UNEMPLOYMENT - RATE BY AGE - GROUPS AND SEXES March 1994

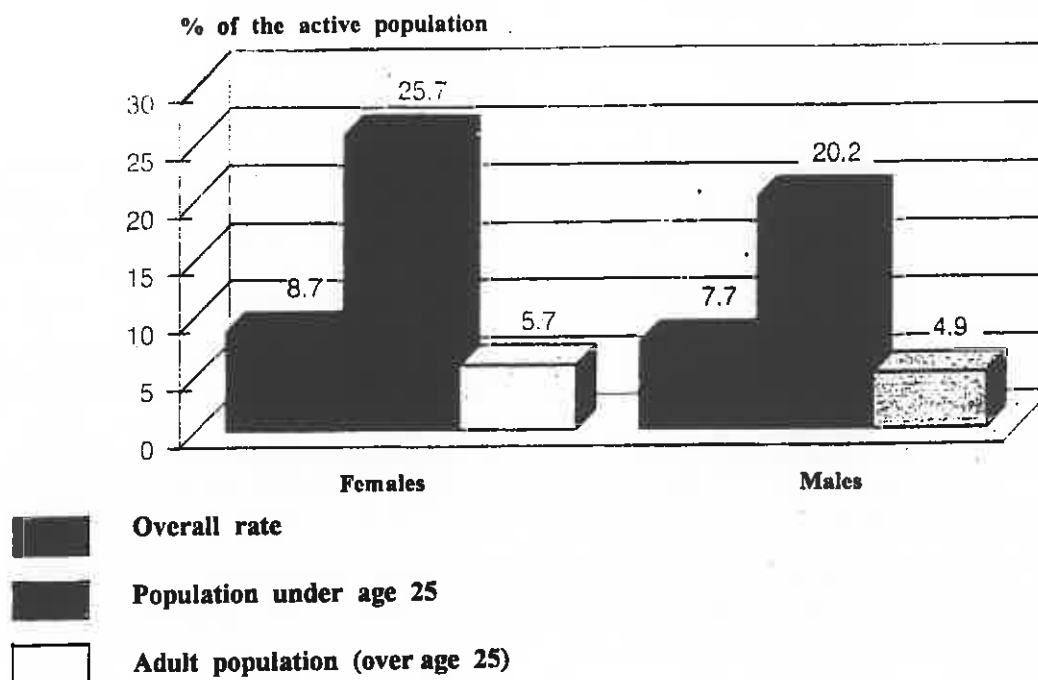


Fig. 21

Under the constraints in finding a job and a dwelling, young people are rather reluctant to marry and have a family.

As of 1990, big cities are confronted with the phenomenon of street-children. This was not a typical phenomenon for the Romanian society and is related to the transition process. The street-children come from disorganized, disadvantaged families; they are frequently sent by their parents or other adults to beg and are subject to exploitation, violence and abuse.

There are an estimated 1,500 street-children in the country, most of them being in Bucharest (an estimated 800-1,000, mostly fleeing the social institutions) They are of age of 3 to 18, most of them having 10 to 16 years.

The issue of street-children is being considered a priority issue. In the big cities, the local councils created special centres to accommodate the street - children

As of 1991, a number of special programs were developed, some of them benefitting from the assistance of international organizations. These programs aim at reducing vagrancy, recuperating abandoned children and increasing public awareness to the problems of these children.

The social problems of the **aging population** went accentuating with the transition, as this age group of the population is severely afflicted by the declining living standards.

The greater share of the inactive aging population benefits of the system of social insurance: 96.9% of the males and 77.5% of the females. Despite the Government's efforts to improve the ratio between the salaries and the pensions, the purchasing power of the latter is declining faster than that of the salaries.

Meanwhile, with a growing unemployment rate in the active age groups, pensioners find it hard to re-enter a remunerated activity. The activity rate of the aging population (pensioners) is of 9.2%: 2.5% in urban areas and 13.4% in rural areas.

Criminality has increased after 1989, which is the case of all former socialist countries.

The dynamics of criminality is as shown below:

	1989	1990	1991	1992	1993	1994
Crimes (%)	100.0	203.2	289.3	300.6	455.8	492.8
Number of crimes per 100,000 inhabitants	202.6	414.0	601.0	635.0	964.0	1,039.0

In 1993 the number of registered crimes per 100,000 inhabitants consisted of 6 murders, 12 rapes, 466 thefts.

Criminality is being amplified by the geographic position of Romania, as a transit area between north and south and east and west. Thus organised crime is being channelled through Romania, consisting of the theft of luxury cars, transport of drugs, prostitution, proxenetism.

The weakened social structure, a phenomenon which is specific for the transition period, is a complex issue. It is related to the profound changes of values, motivations and actions, in a lengthy process, which is far more difficult to carry out than the process of economic reform.

5. HOUSING

5.1. The Structure of the Housing Stock. Quantitative and Qualitative Parameters

The existing housing stock of 7,744.1 thousand units has both quantitative and qualitative shortcomings.

Though over the period 1977-1992 the housing stock increased by 20%, most quantitative indicators fall short of the corresponding European indicators, as shown in the table below:

	1977	1992	1992/1977 (%)
Number of units (thou.)	6,380	7,659	120.1
Number of rooms (thou.)	14,010	18,848	134.5
Living area (mil. sqm)	189	259	136.8
Number of rooms/unit	2.2	2.5	113.6
Number of persons /unit	3.3	2.9	87.9
Average areas: (sqm)			
• per unit	29.6	33.8	114.2
• per room	13.5	13.7	101.5
• per person	8.9	11.6	130.3
Number of persons/1 room	1.52	1.21	79.6

* including only the area of bedrooms and living-room, excluding the kitchen, bathroom, etc.

At a closer look, the housing stock reflects the large share of small size units of 1 and 2 rooms (57.3% of the stock), especially in the urban areas (where it is of 60.4%):

	1966	1977	1992
Number of units - total (%)	100.0	100.0	100.0
out of which:			
• 1 room	29.5	23.0	13.3
• 2 rooms	46.2	45.6	44.0
• 3 rooms	17.7	23.0	30.0
• 4 rooms	4.5	6.5	9.8
• 5 rooms and more	1.1	1.9	2.9

As compared to the household structure, in which households with 1-2 persons account for the largest share (42.9% at the country level and 39.5% in urban areas), the structure of the housing stock by size of the units indicates an overcrowding for about 20% of the population (Fig. 22).

Currently, the housing demand is estimated to over 1 million units, a demand which could be met over a period of 20 years (meanwhile new demand would add to the present one).

DWELLING UNITS BY NUMBER OF ROOMS AND NUMBER OF PERSONS 1977 - 1992

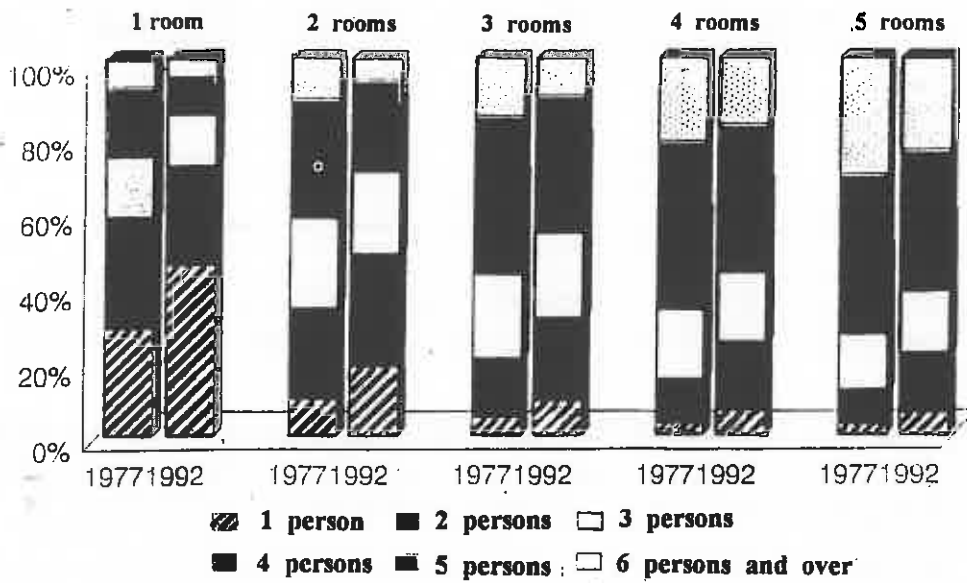


Fig. 22

In terms of qualitative parameters, the critical issues are related to a large number (450 thou.) of units left unrepaired after the last three earthquakes and to a substandard stock built in the early 80's in the urban areas, with units lacking basic standard utilities.

The infrastructure of the existing housing stock is shown below (Fig. 23):

HOUSING UTILITIES 1977 - 1992

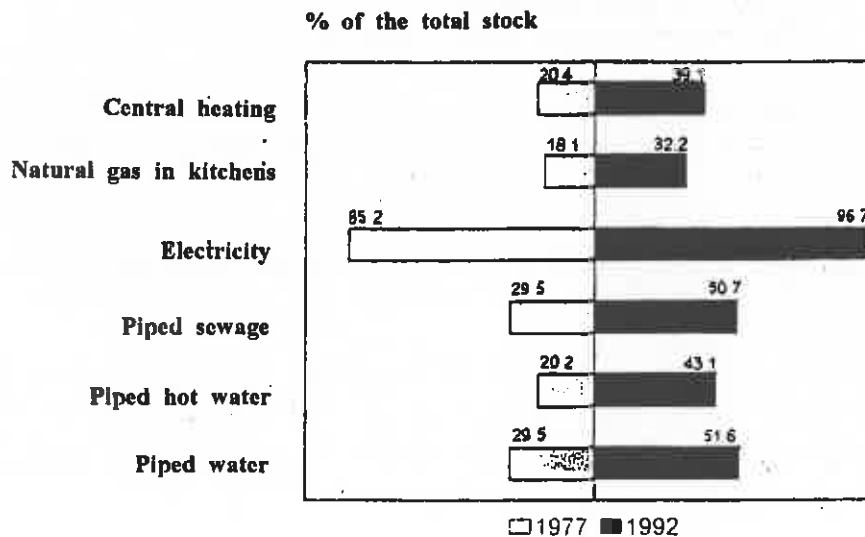


Fig. 23

% of the total stock

Housing infrastructure	1966	1977	1992		
			Total	Urban	Rural
• kitchen	62.3	87.6	89.5	96.2	81.8
• bathroom	9.5	26.4	47.0	81.3	8.0
• toilet	11.9	22.5	47.1	83.4	5.8

Housing units in urban areas have a higher level of equipment. The low level of communal services in the rural areas is reflected in the very low level of equipment of the housing units.

In terms of building materials and of building structures, there was an increase over the last 20 years in using durable materials (concrete, bricks). Still, 26% of the existing stock is made out of less durable materials (e.g. adobe).

The standard life-cycle of a housing unit in Romania is of sixty years. According to this standard, over one million units have outlived their life-cycle. Under usual operating conditions, they should be replaced by new units at a 60,000 annual rate.

The average age of the housing units is of 33 years for the whole stock (and of only 21 years in urban areas), since 68% of the stock was built after 1960

By building types, there is a large proportion of multi family structures: 39% of all units are situated in blocks of flats (i.e. a total of 2.9 million units):

The structure of the housing stock by type of building

Total number of units	1977	1992
	(%)	(%)
• single family housing	69.0	55.4
• terrace housing	9.8	5.1
• multifamily structures	20.6	39.0

In urban areas, the number of units in multi-family structures increased by 1.6 million after 1977; the share of units in blocks of flats rose accordingly to 70%

5.2. Changes in the property structure of the housing stock

The property structure of the housing stock reveals the high share of private ownership, which was already 77% high at the 1977 Census (97% in rural areas and 55% in urban areas), reaching 78.6% in 1992 (97% in rural areas, and 63% in urban areas)

Privatization of housing built by public (state) funds started early - in February 1990 - by selling the units to the sitting tenants. Under the highly favourable terms of the sales (at very low prices and with long-term low-interest rate credits) by the end of 1994 about 2 million units have been sold. The share of private ownership in housing rose to over 92%, the public sector being left with only 7.75%.

Property types	1992		1994	
	Number of units (thou.)	%	Number of units (thou.)	%
• Public	1,603.3	20.93	600.7	7.75
• Private	6,024.8	78.66	7,113.1	91.85
• Other (cults, institutions)	30.9	0.41	30.3	0.45
TOTAL:	7,659.0	100.0	7,744.1	100.0

In the first stage of the reform, privatization was seen as an important means in re-installing and strengthening private property in one of the basic social and economic sectors. By the favourable terms of the purchase, the wiping out of the contracted debts under rising inflation, the tax exemption of 10 years for the purchased unit, privatization was in the short term beneficial both for the new owners and for the housing sector at large:

- it enabled households to improve their housing condition, to accumulate savings or to start business - activities (by using the property as a collateral);

- it attenuated for many families the impact of the declining real incomes, especially for the elderly and for the low-income families.

Privatization was also an opening for the development of an active real estate market.

A new private rental sector has also developed, mainly in the privatized stock.

In long term, new financial mechanisms are required, for the new owner to be able to cope with the growing need for maintenance, repair and rehabilitation of the existing units.

The rapid privatization process reduced dramatically the public stock to a mere 500,000 units. Out of those, 240,000 units have become state property after 1950 and their status is to be regulated in accordance with a special law which was adopted in November 1995.

5.3. Housing production

After 1989, housing production plummeted from about 160,000 units/year over the 1981-1985 period to 27,538 units in 1992. As of 1993, there are signals of a revigorating building activity, especially in the rural areas:

Housing production 1990-1994

Year	New housing units	out of which in:		Number of units/ 1,000 inhabitants
		urban areas	rural areas	
1990	48,599	41,511	7,088	2.1
1991	27,958	22,048	5,909	1.2
1992	27,538	15,836	11,702	1.2
1993	30,071	14,823	15,248	1.4
1994	36,000	17,500	18,500	1.6

Price deregulation, inflation and scarce financial resources are at the origins of the declining building activities, leading to the aggravation of the housing crisis.

As of 1993, the state stepped in for completing the housing units left unfinished after 1989 and for building housing for young couples. A financial mechanism was put in place in order to stimulate the access to property by combining state budget funds and the savings of the population.

To activate housing production, a new "Housing Law" was drafted, with provisions aiming at stimulating new construction by private funding. Among the incentives stipulated by the law, there are to be mentioned: granting a lump-sum as a downpayment for young couples and other categories of persons when contracting a new dwelling; subsidizing interest-rates for housing loans; tax reduction on profits invested in new housing construction; providing land and infrastructure for new housing built by the local councils.

The state would - jointly with foreign investors - build social housing for the disadvantaged categories of population, as well as for those displaced by natural disasters or after being expropriated for public utility purposes.

Firms and companies may finance the production of new housing for their own employees.

The new "Housing Law" lays the groundwork for a new relationship between owners and tenants: on one hand, owners may use and dispose freely of their property and, on the other hand, tenants are being provided the necessary protection by law.

Meanwhile, the entire legal framework developed in the last years created favourable opportunities for foreign investors to invest in new housing in Romania.

All the above conditions enabled the central and local administration to establish the strategies and policies for the development of new housing construction.

As of January 1, 1995, there were a total of 4,499 registered building firms: 493 state-capital (with an average of 493 employees each), 42 mixed-capital (with 322 employees per firm) and 3,964 private firms (with an average of 40 employees each).

There also exists a great number of companies performing building activities among other activities.

With a large "self help" building activity - especially for new housing in rural areas and for extensions - alterations in urban areas - construction is estimated to be much more active than captured statistically.

5.4. Access to housing and the cost of housing

Taking into account the present housing crisis and its dimensions (a low output of about 40 thou. units/year as against the estimated annual necessary rate of replacement of 60 thou. units/year; the household formation rate of 110 thou./year as potential demand) the national strategy for the development of the housing construction established as its main objective to provide a decent dwelling for each family and a room for each individual.

To attain the above goals, one million new units should be built up to the years 2010-2020.

In supporting this objective the following programmes are being elaborated:

- housing for young families;
- social housing;
- housing financed by foreign capital;
- the development of a capital market for housing;
- the development of mortgage - and housing-insurance institutions.

With declining real wages and high inflation rate, the ratio between house - price on the free market and income is relatively high. According to real-estate market information, in 1994 a typical unit (of two rooms in a multi-family structure) sold for 8 - 10 thou. USD.

The private rental sector has developed in an unregulated environment. As the public - rental can not cope with growing demand, rents in the private sector have a highly speculative character, encouraging tax evasion. In 1994 the private rent for a typical unit (2 rooms in a block of flats) ran from 60 to 100 USD.

At the same time, the overall cost of housing, as a share of a household's income did not change significantly. With public-rents kept at pre-1989 level and inflation wiping out debts contracted for privatization, the cost of housing - both in the public-rental and the owner-occupied sectors - amounts mainly to monthly utility payments. But utility costs rose rapidly in nominal terms after the phasing-out of budget subsidies. So most families, especially the low income ones, find it hard even to pay for utilities.

Housing costs (including public-rent, utility payment and common expenses for building operation and management) accounted for an average 9.46% of the median net wage in 1994 (a percentage slightly higher than the 1990 9.30%).

The cost of a newly built unit is 2-3 times that of a similar unit in the existing stock: 156 USD for one square meter of a typical unit in the existing stock as against 380-400 USD of a newly built unit.

The present real estate market conditions (both for purchase and for renting) are restrictive for the largest part of the population in entering the market. Especially young couples and all other households - salaried, pensioners, unemployed - who for some reason do not own a dwelling or wind up without a house, are unable to accede to a dwelling.

The very small public-rental sector (which shrank to about 7% of the existing stock) is also a constraint for the development of the labour market. Economic restructuring requires labour-force to become more mobile (by moving from one city to another in search of a new job), which in turn should be backed up by a housing stock accessible for those finding new opportunities in other cities or other regions.

The decline of mobility in the housing sector has an impacts on the optimal use of the existing stock. Large categories of salaried families can not buy or build a larger and better quality dwelling, thus vacating a number of units for younger families.

The increasing real estate market is not being supported by a market-based housing-finance system.

Privatization has been supported with loans given by the National Savings Bank.

Most of the new housing construction is being financed by "self help" (especially in the rural areas where over half of the housing construction takes place). Units from the existing stock are purchased by a single cash payment.

Banks grant loans mainly for construction firms, preferring institutional clients against individuals, who can not provide adequate collaterals. Up to 1994, housing credit was not favoured by the banking system and by developers, under high inflation, high interest rates, high constructions costs and the lack of long term guarantees.

5.5. Housing management

The critical issues of managing the existing housing stock result from the problems inherited after 1989, as well as from the lack of a new regulating framework suitable for the new relations which have developed in the housing sector.

The dimension of the new challenges is reflected by the following figures:

- over 2.5 million units in multi-family structures are in need of improving their thermic insulation and technical infrastructure (heating, water and sewage);

- about 450 thou. units, require rehabilitation, having been affected by three consecutive earthquakes;

- a number of about 170 thou. units werw built in the early 80's lacking the minimal acceptable standard of equipment; many of these units are currently abandoned; their rehabilitation would entail excessive costs.

Beside the above issues, related to the security and functioning of housing, there is the long - neglected current maintenance of the entire housing stock built before 1989 leading to the ever declining quality of an otherwise valuable housing stock.

The public stock is being managed by special offices of the local councils. They contract out repair and renovation work to the former state-managed companies, most of which are now private companies.

Operation of housing in multi-family structures - both in the public and in the private sector - is carried out by the tenants associations. Though they are organized in a similar way to the condominiums, they lack a legal framework adapted to the new conditions of privatization.

Without a new regulatory environment and financial mechanisms, families - tenants and owners alike - will find it hard to cope with the increasing need of substantial renewal of the housing stock.

C. PRIORITY ACTIONS UP TO YEAR 2000. STRATEGIES AND POLICIES

1. GENERAL CONSIDERATIONS

The sustainable development of human settlements and the development of a framework enabling the access to a decent dwelling are **goals of a global and long term character**. Reaching them requires the concerted efforts of all those involved: the government, the local administration, the various sectors of the economy, public and private institutions and - last but not least - the individuals and the communities.

The sustainable development of human settlements encompasses all the conditions that are to be created, all the actions to be taken, in a proper sequencing, in order to meet the following objectives:

- to hand over an undamaged natural environment to the future generations;
- to preserve an unpolluted environment;
- to achieve a sustainable economic development, through a careful management of resources, especially of those which can not be regenerated;
- to develop the individual-centered human security;
- to strengthen social cohesion by the educational health-care and social-assistance systems;
- to develop local capabilities in solving the problems of local communities;
- to preserve the cultural heritage witnessing the historical and cultural development of communities and of the nation as a whole.

In such a wide perspective, the actions targeted at attaining the sustainable development of human settlements are being conditioned by the direction and the pace of the changes taking place in the Romanian society in the transition period, as well as by the distortions and the unbalances (among regions, settlements, categories of population, etc.) inherited from the past evolution (as they have been detailed in section B).

In the actual conditions, the sustainable development of human settlements requires a **global approach at the national level and in a long term perspective**.

This approach relies on one hand on the **basic principles of a sustainable development, supported by national strategies and policies** and is closely linked to the **local values and actions**, on the other hand.

2. CREATING A SUSTAINABLE ECONOMIC ENVIRONMENT

• The ongoing reform in Romania is the essential process of the transition to a market based economy, aiming at the development of the Romanian economy and at its integration in the European and World systems.

Achieving macro-stabilization was the pre-condition for the reform to continue. Arresting the economic decline and relaunching the activity in a stable environment are, in turn, the necessary steps for the implementation of reform-policies.

Taking into account the evolution of the national economy within the overall process of transformation of the Romanian society and the international situation, the **priorities of the economic program** of the government are the following:

- to consolidate the socio-economic system and to continue a high rate economic growth;
- to accelerate privatization and to widen the restructuring processes, with a view to including profound changes in the property and activity structures, at sectorial and macro-economic levels, meanwhile increasing the competitive character of the national economy in an integrated European perspective;
- to increase social protection, especially for the most disadvantaged categories of the population, reducing the negative social impact of the transition;
- to enlarge the international relations of the country.

The above objectives express the political determination to continue the overall reform and to consolidate economic reform, to improve the mechanisms and the institutions of the market economy.

They also express the will to create a sustainable economic environment, by adequate actions, targeted at developing high-performance activity structures, which would meet the requirements of the domestic market, as well as international performance standards.

The priority government actions are:

- **To increase the private sector's share in the economy** by transferring the state capital to private stockholders; this would be achieved by the already existing privatization procedures, as well as by the so-called **mass privatization** (which is under way).

- **To consolidate the financial environment** by accelerating privatization and restructuring, resulting in a more effective transposition of the macro-economic policies to the micro-economic level.

- **To maintain a consolidated budget-deficit**, in controllable limits, by further improving the structure of budget-revenues, by strengthening control and by an increased transparency of budget spending.

- **To control inflation** by correlating the increase of real wages with the increase of productivity, and with the protection of low-income categories.

- **To correlate interest rates for deposits and loans with inflation**, keeping them at a real positive level, so as to maintain confidence in the national currency as an incentive for investment and economic growth.

- **To continue to consolidate the monetary system**, mainly by attracting the capital existing in the economy, and not by issuing money; the rhythm of the capital involvement should outpace the price-increase and counteract inflation.

•**To improve the operating conditions for market mechanisms and institutions**, by developing the transactions on the stock-market and completing the necessary legal framework.

By further consolidating the general economy and by sustaining economic growth. It is estimated that the GDP in 1996 will increase by 4.5% as compared to 1995.

The economic growth of 1996 would improve the structural balance of the overall supply and demand for goods and services.

The main factors sustaining economic growth in 1996 will be:

- an increasing confidence of investors, against the background of a marked economic development;
- an accelerated adjustment of the output, especially of the industrial output, to the structural changes in the domestic and foreign demand and to a competitive economic system;
- a high rate increase in the overall supply of goods and services, along with an increased activity in the sectors producing high value added products (capital investments, construction) and the development of market services for the population and the economy.

One of the main pre-conditions of a sustainable economic development is the **consolidation of the investment process**.

Numerous government actions aim at increasing the resources in the economy and to gathering the necessary financial resources for the investments to pick up. Among the measures that the government has in view are: to develop medium-and long-term credits; to eliminate bad-loans in the economy and to re-capitalize the banks; to improve the legal framework for the rapid development of the capital market; to encourage and support the participation of foreign capital in investing in the priority sectors of the economy.

The objectives of the **public investment program** are related to the European integration, with a view to reducing the present discrepancies and to improving the overall framework for economic and social development.

A priority concern are the investments in infrastructure, public services for the population, as well as those related to environment protection and ecological balance, such as:

- the further updating of the infrastructure for energy production, introducing new technologies in the existing plants, developing new works so as to provide for the energy-requirements of the country;
- the further improvement and modernization of the transport infrastructure (highways, railroads, ports, airports, motorways) and the development of free zones in the port city of Constanta and along the Danube, the development of public utilities in the human settlements (water supply, sewage, heating systems, etc.) and of housing construction;

- the rehabilitation of the land melioration systems and the development of public services for agriculture;
- the development of the infrastructure for the educational and health care systems, for artistic and cultural activities, for the public administration and for public security.

By stimulating the propensity for investment, against the background of economic growth, it is estimated that in 1996, **construction** will re-gain its status as a basic sector of the economy, which by its multiplying effects would contribute to the increase of goods and services, as well as to the creation of new jobs.

3. ADMINISTRATIVE DECENTRALIZATION AND STRENGTHENING OF THE LOCAL DEMOCRACY

3.1. The reform of local administration

The reform of local administration is being carried out according to the principles sanctioned by the Constitution and to the provisions of the Law no. 69/1991 concerning local autonomy, the eligibility of the local public authorities, the decentralization of public services, and the participation of citizens in major decisions of local interest.

The relationship between the central and the local administrations are in accordance with the provisions of the Constitution of Romania, which in art. 101 stipulates: "The Government shall, in accordance with its government program accepted by Parliament, ensure the implementation of the domestic and foreign policy of the country, and exercise the general management of public administration." This provision aims at continuing the valuable historical heritage in public administration, as well as falling in line with the European countries having an efficient and democratic public administration.

The major goal of the reform in local administration is to ensure the high performance activity of the elected local authorities and to create the framework for their carrying out the tasks they have been charged with. This way, **the local authorities should become a dynamic factor of the overall economic and social reform in Romania.**

The priority actions for attaining this goal are:

- a) Improving the legal framework for the organization and the activity of the local administration.**

All measures and actions concerning the local administration are directed toward the **strengthening of local autonomy**, as stipulated by law.

The basic legal acts that were adopted back in 1991 have to be revised, so that they are in accordance with the principles and the provisions of the Constitution. Meetings with experts from other countries, international seminars and workshops on this topic, as well as the help of the judicial bodies of the European Council, revealed new ways of

conceiving and organizing the local administration in accordance with the principles of a state ruled by the law.

A priority objective is to finalize the assessment of the assets of the administrative-territorial units, according to the provisions of the draft law on patrimony. This will provide the local administrations - de facto e de jure - with the material support of their autonomy.

By defining the patrimony of the administrative units and that of the state, various local communities would be able to put together their assets, in order to obtain and provide guarantees for loans necessary to carry out larger projects of community interest.

Equally important is to consolidate local public finances and the capabilities for managing local budget revenues in carrying out local development programs. The Law for local taxes and charges, which was adopted in 1994, created the overall institutional framework and the mechanisms for financing local activities. This framework would be improved by adopting new regulations for local public - finance (regulations that are being analyzed presently by the Parliament).

The representative bodies of the local administration - i.e. the county and city councils - must play a major role in improving the organization and the activity of the local administration.

There is a systematic dialogue between the Government and the NGO's on issues related to the increase of urbanization (by declaring new towns and cities) and the improvement of the administrative division of the country (especially by re-creating the counties that have been abusively dissolved by the communist regime). These are issues of great social concern, likely to provide a greater number of public services for the citizens, at lower social costs.

b) Developing and diversifying public services for the population, especially communal and utility services

Currently, the local administration authorities are in charge with the provision of local public services, i.e. water supply, sewage, waste disposal, the maintenance of streets and public spaces, etc.

For other public services, like education, health care, public security, etc., local and national interests are joined, the state being responsible for the development of these services. In the near future, they might be further **decentralised**, the local administrations having the competence for the maintenance, investment and financing of the educational, medical, cultural and other services. The ministries will provide methodological and scientific guidance and will exert control over the activities in these fields.

c) Professional training of the public officers at the local level, in accordance with the requirements of the transition

Currently, in the local administration there are 40,000 elected councillors (in the counties, cities and communes), 5,900 mayors and vice-mayors, and over 7,000 civil servants in the technical departments of the local administration; the state-capital semi-autonomous companies (regies autonomes) are also answering to the county- and local

councils; the ministries have decentralised local offices, with the corresponding technical personnel.

Many of the above do not possess the necessary skills and experience to perform an efficient and qualitative activity in their respective field.

Under these circumstances and in accordance with the governance program, the Government created a coherent system of training for specialists in politics, social communication and public relations, management, public administration and international relations. The personnel of the non-governmental public institutions, trade-unions, various companies was also included - upon request - in the training programs.

The professional training of the elected bodies and of the public officers was organized in five regional centres. These are autonomous institutions, financed from the local budgets; the professional and methodological guidance is being provided by the Ministry of Education and by the National School for Political and Administrative Studies.

3.2. Improving and consolidating the social dialogue. Developing partnership in the structures of the civil society

A main pre-condition for the development of local democracy is the involvement of all social partners in the decision-making process, establishing direct correlations between the national and the local interests, between those of the individuals and of the communities.

The development of a more active social dialogue on public administration issues requires a proper institutional organization, based on **democratic principles and participative policies**, on partnership and social consensus. This is the only way to create an adequate framework in which co-operation between the civil society and the public administration could be successfully and systematically carried out.

In the last years, partnership developed between the structures of the civil society and the NGO's working in various fields of public interest. It reflects the determination to handle issues of local or national interest that are not in the direct competence of the public administration, or to perform activities complementary to those of the local administration. NGO's play an important role in activating local resources and initiatives and thus contributing to the solving of local problems.

The Governance Program has outlined the main directions for an efficient co-operation between the public administration and the various components of the civil society, i.e.:

- to increase the autonomy of the structures of the civil society as against the administrative organizations;
- to stimulate the development of non-profit non-governmental institutions and associations, which would be supported by the central and local administrations;
- to stimulate communities, through NGO's, professional associations and civic institutions, to take over certain social services which are not in the competence

of the public administration or which exceed the administration's available resources;

- to support citizens in achieving local community objectives by activating private resources.

Over the 1993-1995 period, the Government had also in view the establishing of a social partnership between NGO's and the political structures, by developing a new legal framework, and by establishing specific regulations for co-operation, by providing the resources for the development of the associative sector.

The Inter-ministerial Group to Support the Development of the Civil Society, operational as of September 1995, has its main goal to co-ordinate the actions of the public administration in supporting the development of the civil society, and to identify the most efficient ways of co-operation. It aims also at contributing to the PHARE Program for the Development of the Civil Society and of the section "Ethics of the Public Officers" of the PHARE Program for the Reform of the Public Administration.

The Inter-ministerial Group in co-operation with NGO's initiated the drafting of a law for associations and foundations, fitting into the new social and political context and stimulating the development of the partnership between the central and the local authorities and the non-governmental sector.

Other current actions are:

- the creation of "public utility associations", promoting public utility values (civic, cultural, ecological, humanitarian);
- defining the status of the above associations and their authorization to work as partners in the common management of social services (for education, health-care, cultural, social assistance);
- fiscal measures to stimulate non-profit associations developing public utility programs.

All the ongoing and proposed actions are meant to attain a higher qualitative level of democracy at the central and local levels.

4. ENVIRONMENTAL PROTECTION

4.1. General principles

The concept of sustainable human development encompasses the three main dimensions of the protection of the environment:

- the national dimension as an integral part of the development of the whole society;

- the international dimension which includes actions resulting from the international conventions Romania has joined;
- and of no lesser importance, the human dimension, as the concern of all the citizens and of each individual.

The Strategy for Environmental Protection in Romania is based on the principles that take into account all these three dimensions, with a view to **improving the environmental conditions, preserving the existing resources and preventing their deterioration:**

a) Preserving the health of individuals is the paramount principle that should guide all economic and social activity, as well as all the measures for environmental protection.

Present living conditions should be improved by **reversing the negative impact of pollution**, especially in the intensely polluted areas where life-expectancy is diminished by 5-10%.

To **prevent pollution** in other areas new clean technologies have to be introduced.

b) Achieving sustainable development by preserving the capacity for regeneration of the natural resources, that should provide for the present generations, as well as for the future ones.

In this respect, a great concern is given to the conditions that would reduce the potential for regeneration of water, air, soil, fauna, and flora, such as: pollution, irrational exploitation, bad management. The proposed actions aim at reversing the negative impact of the above factors.

c) Preventing pollution yields beneficial - economic and social - advantages.

d) Preserving bio-diversity and the ecosystem, maintaining their stability and resistance to adverse actions.

It is of great importance to identify the components of the biodiversity, in order to take the appropriate measures for their preservation and rational utilization.

One of the main actions was the delimitation of the "Reservation of the Danube - Delta", creating the legal framework for its protection and management, for the preservation of the ecosystems, and of the natural habitat. Meanwhile, measures were taken to rehabilitate and re-establish the affected ecosystems and to protect the endangered species.

e) Preserving the historic and cultural heritage, bearing witness of the history of the Romanian nation and of the cultures existing in various regions of the country.

f) The "polluter pays" is a means of deterring pollution and of stimulating ecological behaviour.

g) Stimulating the improvement of environmental conditions by financial and fiscal mechanisms, and increasing public awareness through the media.

Among the priority actions, it is to be mentioned:

- **The development of institutional capabilities** at the central and local levels, stimulating the creation of NGO's and strengthening the relations with the international organisations.

The action started in 1990 and aims at increasing the performance of public services in charge with environmental protection, especially of those concerning water management, energy provision, waste disposal and transports.

Through the NGO's activity a wider contact with the civil society was established, resulting in the growing awareness of citizens and of communities concerning the environmental issues.

- **The improvement of the legal framework for environmental protection**

The Law for the Protection of the Environment (currently being discussed in the Parliament) and other legal regulations resulting from it (e.g. concerning waste, toxic and hazardous materials, biological resources, industrial accidents, etc.) will complete the legal framework within which the institutions in charge of environment protection could act with enhanced authority.

- **The monitoring of the environment, completing the monitoring network and its automation**

This action includes the inventorying of the polluting-sources, the annual assessment of air, water and soil pollution. It is a pre-condition for preventing accidents and for taking the appropriate measures.

- **The introduction of new technologies for water-treatment, industrial and household solid-waste disposal** are actions with direct impact on the quality of life in the human settlements.

- **Reducing in stages, the level of pollution in the 14 intensely polluted areas** (see Section B) is an ongoing action.

- **Natural disasters control: droughts, erosions, floods, desertification, earthquakes**

These are actions of long-term impact, critical for the regeneration of the yielding potential of the soil and for the security of human life and activities.

Among the provisions for year 2000, erosions will be controlled over 2 mil. ha and another 1.5 mil. ha will be irrigated.

Prevention of earthquakes and the protection of the population is a complex program, including design and building regulations and an educational program for the population.

- **The preservation of the Black Sea ecosystem** is the joint concern of the Black Sea countries. The current actions are related to reducing pollution levels, and arresting the erosion of the beaches. Meanwhile, scientific research is carried out with a view to finding scientific solutions of prevention.

5. THE SOCIAL SAFETY-NET

5.1. General principles

The integrated system of social policies created by the Romanian Government, based on the economic goals of the governance program for the 1992-1996 period took into account the difficulties of the transition period and the critical social issues resulting from the profound economic and social changes that are taking place in the Romanian society.

The structure of the economic and social development, Romania's own experience in social protection and the relevant international practices, were among the factors that helped shaping the social safety-net.

In the observance of the Constitution of Romania, of the international treaties for human rights, the integrated system of social policies aims at:

- protecting human dignity;
- generalising social-policy measures;
- promoting social justice and solidarity;
- eliminating all forms of discrimination;
- developing social partnerships as a means to control and increase the effectiveness of the social policy measures;
- adapting in a flexible manner social protection measures to the actual needs of groups and individuals.

The objectives of the social safety-net are mainly directed to **activate all the social forces and to increase their participation in the re-launching of the economy.**

In the same time, they have in view **the gradual decentralization of the social policy** in order to activate **-in a proper legal framework-** all those involved: the local administrations, government and non-government organizations, employers, philanthropic organizations, individuals.

The actions of the Government aim at correcting the inequities inherited from the command economy, creating and supporting a **preventive social safety-net**, i.e. correlating commitments with the available resources.

The objectives of the overall social reform, as they have been formulated, target the achievement of an acceptable **balance between the public and the private sector, between protection and self-protection, between resources and needs, between reform-measures and the need for the present systems to be kept operational, between the requirements of the present generations and the future ones.**

Basically, the aim is to reduce the social costs of the transition and to soften its impact on the population, with a view to preserve the social and political stability of the country.

5.2. Employment policy

As of 1990, employment policy was mainly oriented toward facilitating the adaptation of the labour-force to the changes entailed by economic restructuring, and to the new requirements of the emerging labour-market. Up to now, emphasis was put on organizing a protection system for the unemployed, on developing and operationalizing the labour-market, on stimulating new-job creation and on the absorption of the young labour-force (graduates of secondary- and high-schools).

In the further stages additional measures will have to be taken in order to arrest the decline of the activity-rate, and to activate the unemployed labour-force. The emphasis must **shift from social protection to economic self-protection**. Among the envisaged measures it is to be mentioned:

- the improvement of the institutional framework by creating the **National Agency for Employment and Vocational Training**;
- legal measures to deter "black-labour";
- fiscal measures to stimulate labour-demand;
- development of the vocational training system, in order to obtain flexibility of the labour supply;
- development of the vocational-orientation programs, most suitable for the younger age-groups and for high-risk categories (women, disabled persons, etc.);
- introducing flexible work hours or part-time jobs for women;
- enlarging the labour market by developing foreign co-operation.

Privatization and free enterprise, as basic components of the reform, represent interesting alternatives for employment.

The ongoing mass-privatization is expected to have beneficial effects on the social and economic behaviour of the individuals. Through mass-privatization, all Romanian citizens over 18 years of age will be given equal opportunity to exercise their newly acquired property rights, after gaining free of charge 30-60% of the capital of state-enterprises, in the form of shares. This process is to be completed up to 31 March 1996.

Meanwhile, free enterprise has resulted in the development of a great number of private enterprises: commercial companies, family associations, individual businesses (their number was over 600,000 as of January 1, 1995).

Stimulation of privatization through free initiative is given priority, being a process with wide social implications, having several positive effects:

- the development of an independent and effective economic behaviour;
- ensuring timely and effective supply of products and services needed by the population, by the quick adapting to demand of small- and medium-size enterprises;

- the creation of diversified new jobs;
- the development of the labour and investment markets, involving domestic and foreign capital.

5.3. The policy of the salaried income

The policy of the salaried income conceived after 1989 was aimed at eliminating the negative features of the former salary-system of the communist regime, which pursued income levelling, without any correlation with actual performances.

The Law of the salary-system adopted in 1991 stipulates:

- the right of each individual to a paid salary, as agreed upon by the work-contract;
- the elimination of all forms of discrimination, be it political, ethnic, religious, by age, gender, or social situation;
- collective negotiations between the partners as the basis for the establishment of the salaries.

As of 1993, a gross monthly salary, not lower than the average monthly gross minimal wage was agreed upon, to be paid by all employers (private or public).

The priorities of the wage-policy are:

- the protection of wages by an indexation-system, to compensate for the decline of real wages due to inflation; meanwhile, wage-increase is to be correlated with the increase of productivity and with the actual financial resources of the enterprises;

- the improvement of wages in the public institutions;

- the protection of low-income individuals;

- reducing the artificial gap on the labour-market between the salaries paid for the same activity;

- revising periodically the basic minimal gross wage and strengthening the control that all employers comply with it.

5.4. Insurance and social-assistance policies

Romania has a long-time tradition in **social insurance**. The first regulations date back in the 19-th century; in 1912 a law for "the organizing of trades, credit and work-insurance" had been adopted.

Shortly after 1989 a number of changes were operated in the social-insurance system, to adapt it to the new conditions of the transition, as well as in order to eliminate the inequities of the communist regime. Especially agricultural workers have benefited by the improvements of the social-insurance system.

After 1992 new legislation was elaborated, with a view to organizing the system in accordance with the Constitution of Romania, the basic international principles of human rights and taking into account the main social requirements and risks.

The **White Book of the Social-Insurance and Pension Reform** was elaborated and has been consequently publicly debated. It includes the following provisions:

- the creation of a unified public-pension system, integrating the systems existing independently, a system based on equity, motivation and financial solidarity;
- the management of the unified system by an independent organization; The Ministry for Work and Social Protection will retain competencies concerning policy-formulation, the elaboration of the necessary legislation and control of its enforcement;
- the introduction of new insurance-services adapted for the transition period;
- extending retirement-age and calculating pensions for the entire active life.

The new system will be based on the principle of re-distribution among generations - "pay as you go".

Social assistance is addressing individuals and social groups which are temporary or permanently at high-risk (disadvantaged).

The scope and dimension of social assistance and the services granted changed considerably after 1990, in accordance with the values and philosophy of a democratic society.

The **White Book of the Social Assistance** which was elaborated in 1993 and publicly debated, contains provisions that will reform the legal and institutional framework and the services provided by the new system.

The strategy for the protection of disadvantaged individuals is aiming at:

- Protecting low-income individuals and families. In accordance with the Law for social assistance (no. 65/1995), about 500,000 families will be granted social assistance (i.e. 9.7% of the country's population).

- Helping individuals with special needs: handicapped, disabled persons.

- Protecting pensioners by improving the wage/pension ratio and the ratio between various categories of pensions.

- Protecting large families (with numerous children) and young population in general (child-allocation, free education and medical care, etc.).

- Protecting women (paid maternity-leave, grants for maternity, paid sick-leave for child-care, etc.).

The state is responsible for the social security of its citizens, especially of the disadvantaged individuals and categories, by providing the necessary resources for social protection. Meanwhile, fighting poverty, unemployment and social exclusion requires the involvement of all political, economic and social forces, including non-government organizations.

With macroeconomic stabilization and structural adjustment, **more realistic social-policies** could be developed, creating a means tested social safety-net, for specific individual or group-requirements.

By **individualised social-protection measures**, in disadvantaged areas, cities or communes, a more efficient economic and social protection could be attained. It implies a new way of assessing poverty, in its multi-dimensional character and directly related to the specific needs of certain disadvantaged categories.

Social statistics must assume an important role: by its capabilities to provide and use effectively reliable information, it is likely to highlight social phenomena in all their diversity and evolution. The short-term and medium-term priorities of the statistics in Romania are related to designing and implementing a **new information-system for social statistics**. The basic aim of the new system is to improve the quality of data, to assure their compatibility with European and international data and to facilitate exchange of information within the European Union and the system of the United Nations.

5.5. Regional and urban planning - basic supporting elements for the sustainable development of human settlements

The objectives for to the sustainable development of human settlements in Romania are related to the specific conditions of the transition to a market-based economy. The social and economic changes that take place require that serious consideration be given to the followings:

- arresting the further deterioration of living standards in the human settlements;
- correcting the impact of earlier processes, some of them -highly inertial- needing long correction periods;
- preserving the human and natural resources and the built environment;
- developing long-term strategies, capable to direct short-term actions toward sustainable development.

In the reform-strategy of the government, urban and regional planning are being considered as activities playing an important role in the macroeconomic restructuring and in reshaping urban development.

The development of the reform and the achievement of a sustainable development of the human settlements are dependent upon the growth-rate of the overall economy, but also upon regional distortions and unbalances (as detailed in the previous sections). In this perspective, the sustainable development of human settlements needs to be considered in a **global, long-term approach, in the framework of the physical planning of the national territory.**

Regional and urban planning are likely to act in two main directions:

- upstream** they are related to the overall framework of the macroeconomic reform; to the structuring of its spatial pattern; in a long-term perspective, this spatial pattern is likely to accommodate sectorial developments and decentralised local initiatives; practically, by designing the **major infrastructure pattern of the country, coherent, long-term programs**

for public works can be developed, targeting especially the major sectors of the economy, the preservation and management of vital resources and the integration in the regional and European structures.

-**downstream** emphasis is being put on the complex regulation of the urban development, on creating the legal, institutional and technical framework for the decentralised activity of the local administrations.

The above considerations represent the basic philosophy underlying the **Regional Planning of the National Territory (RPNT)**. Its global, long-term strategy aims at:

- developing long-term programs for the development of the country's major infrastructure, for the management of basic natural resources and for the preservation of the natural patrimony and of the cultural heritage;

- the integration in the European and international development programs directly related to Romania's favourable geostrategic position and to its potential (the Rhine- Main-Danube Canal, the Black Sea, the Danube-Delta, etc.).

In accordance with the current legislation and with the reform-program of the Government, the main objective of the RPNT is to elaborate **four priority sections**, as follows:

- Section 1: The major transport infrastructure
- Section 2: Water-management
- Section 3: Protected areas of national importance (natural and built-up)
- Section 4: The network of human settlements

Section 1 (Fig.24) provides the overall conception and spatial pattern for the development of the major transport-infrastructure; it has in view the integration in the European transport flows; it also aims to achieving a balanced structure at the level of various regions of the country, with a view to increase economic and social cohesion in all areas.

Section 2 Water-management (Fig.25) has as its main objective to establish the responsible management of a natural resource which is of vital importance for a sustainable development, i.e. correlating the available resources and present requirements with the imperatives of preservation for the future generations.

The sequencing of the rehabilitation of the sources has to be adapted to the degree of their vulnerability and to be correlated with the requirements of urban and economic development.

In **Section 3**, the protection of the natural and built-up areas of national importance (Fig 26 and 27) is conceived as a continuous process of preservation of the outstanding natural patrimony and of the cultural heritage of the country. They represent both the support of a sustainable development and the specific contribution of Romania to the cultural diversity of Europe. To establish a legal framework defining the natural and

SECTION 1 - MAJOR TRANSPORT INFRASTRUCTURE HIGHWAY - NETWORK

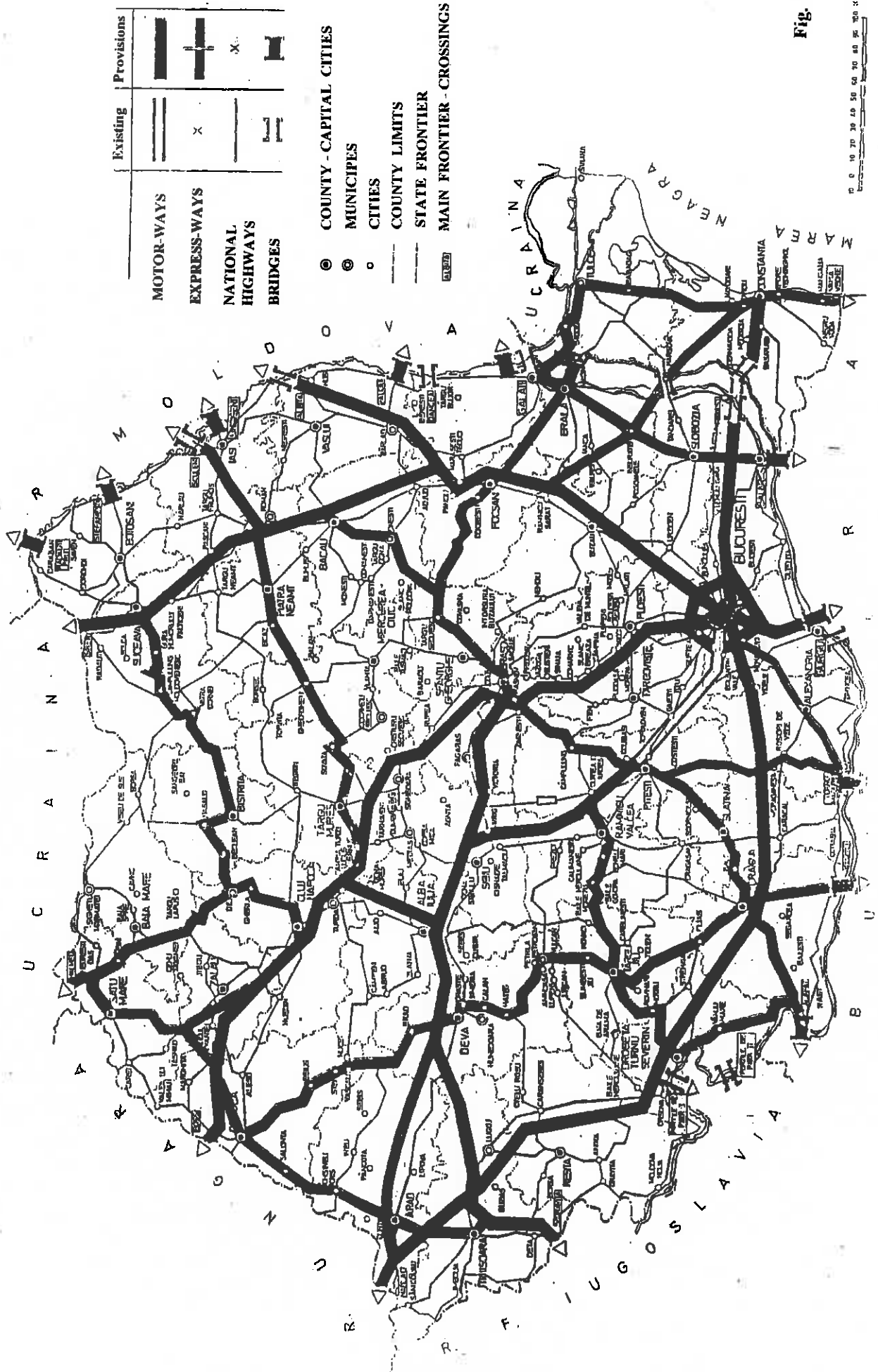
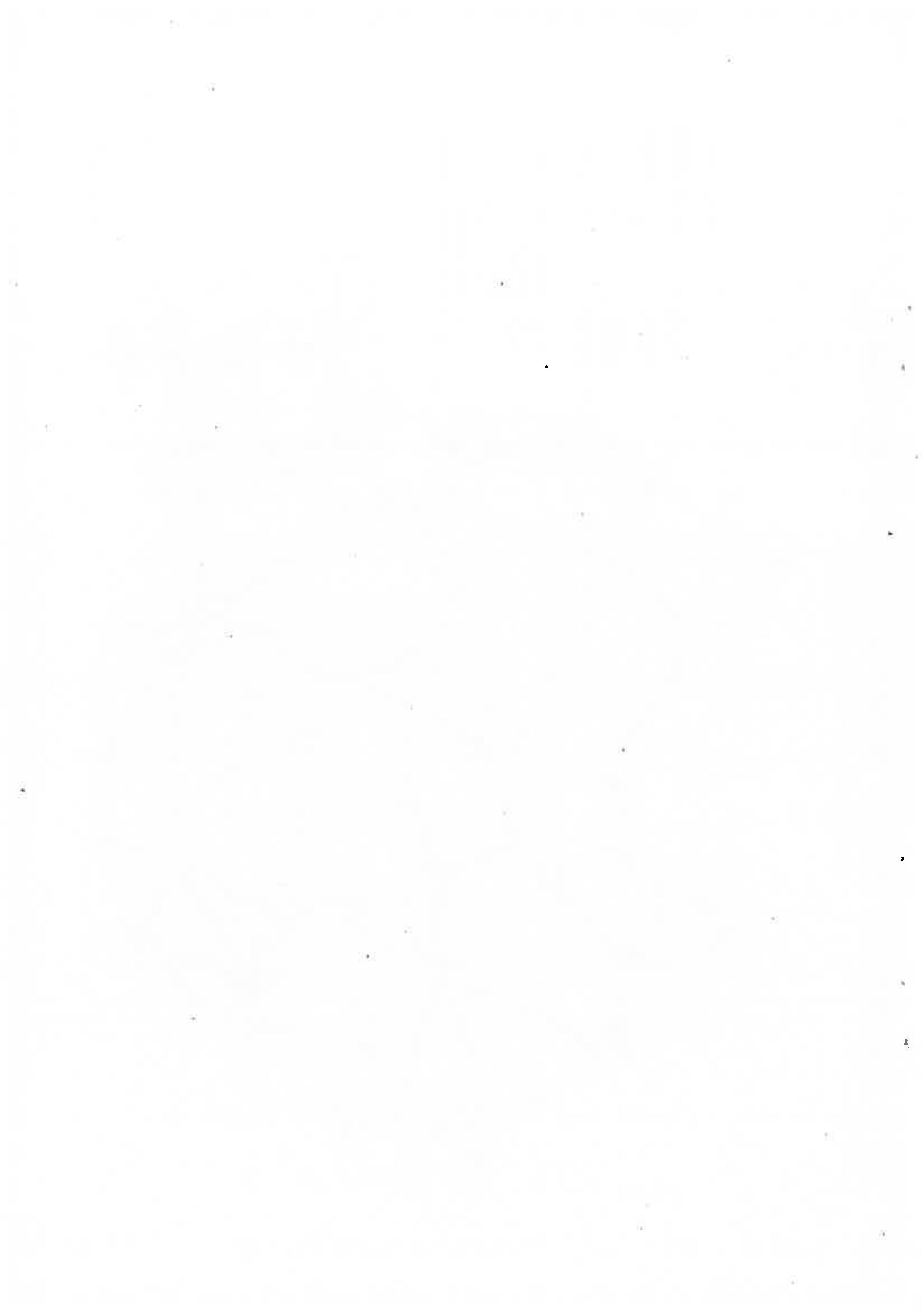


Fig. 24





SECTION 2 - WATER MANAGEMENT WATER - QUALITY REHABILITATION

REHABILITATION - AREAS OF
WATER POLLUTED BY
INDUSTRIES:

- SHORT - TERM
- MEDIUM - TERM
- LONG - TERM
- UNPOLLUTED AREAS
(1995)

REHABILITATION - AREAS OF
COMPLEX POLLUTION:

- SHORT - TERM
- MEDIUM - TERM
- LONG - TERM

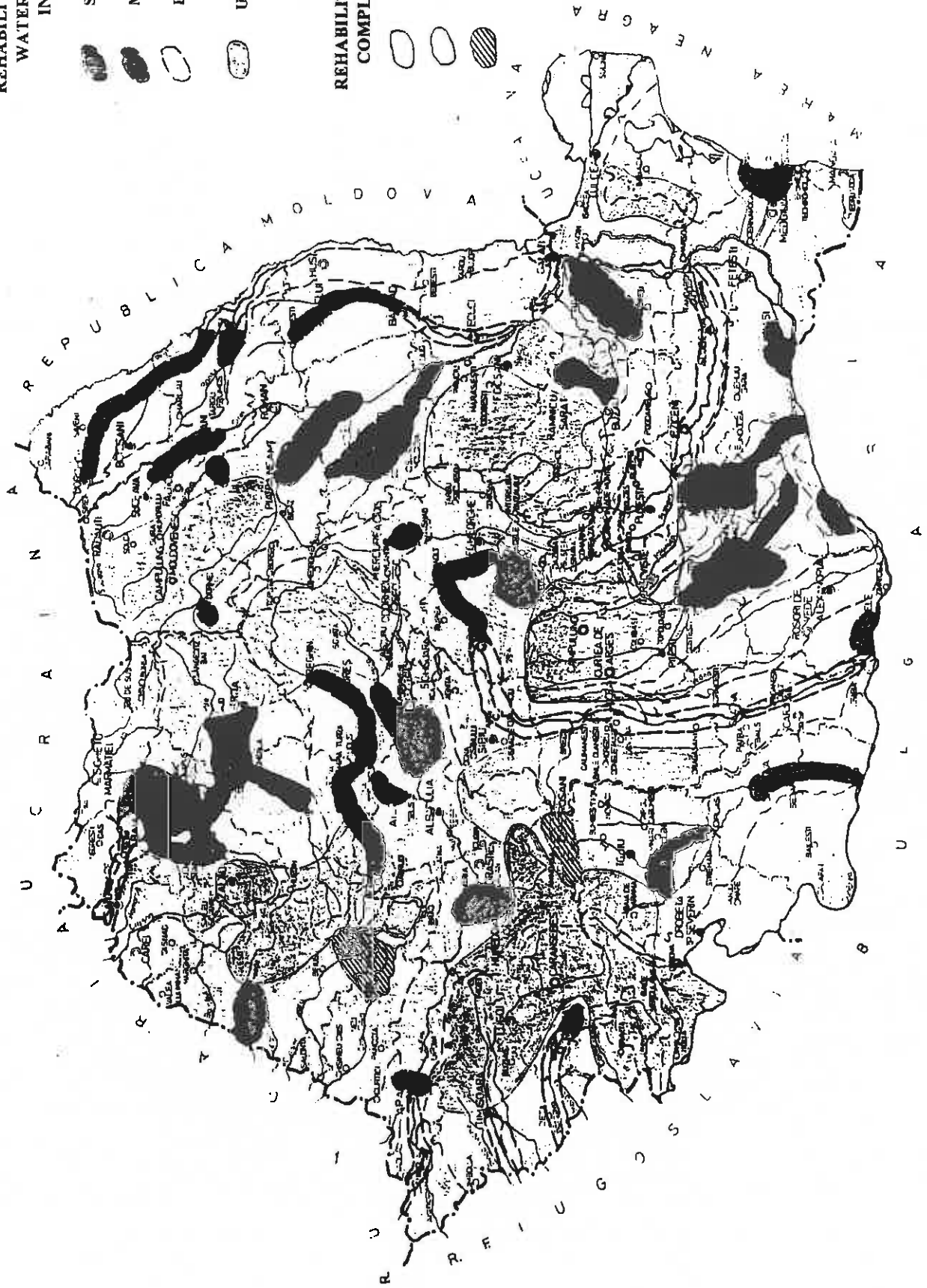
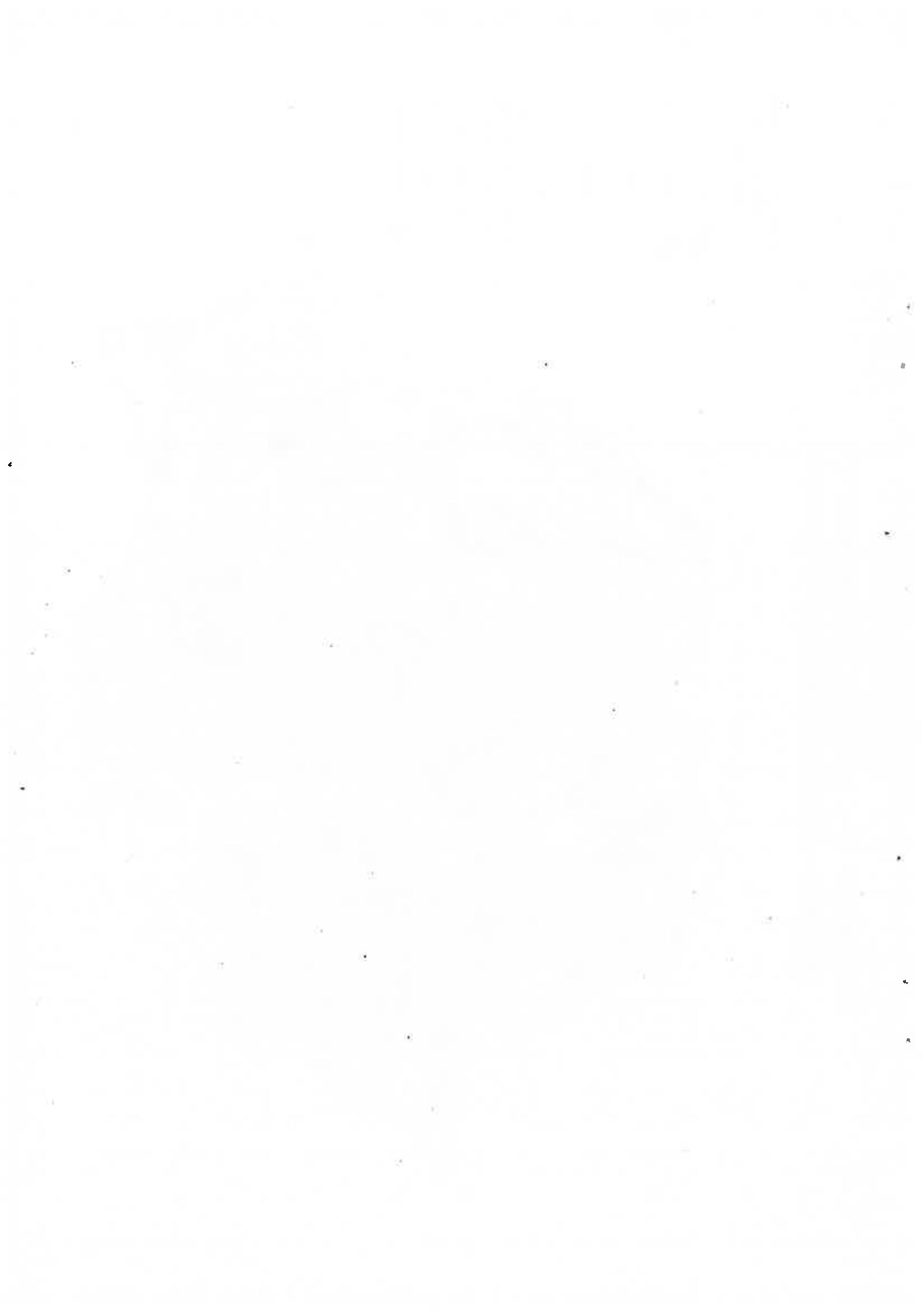


Fig. 25



SECTION 3 a - PROTECTED BUILT - UP AREAS

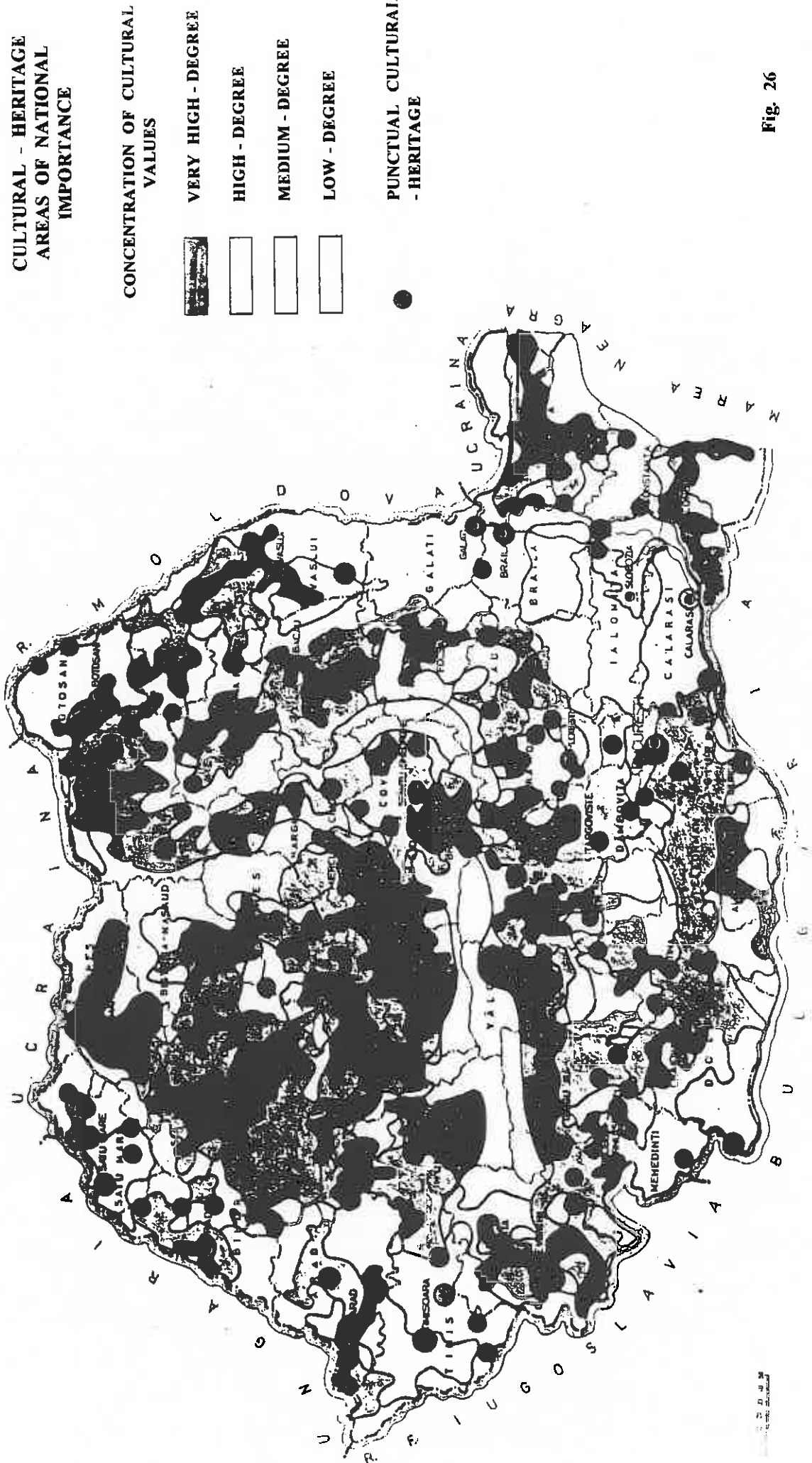
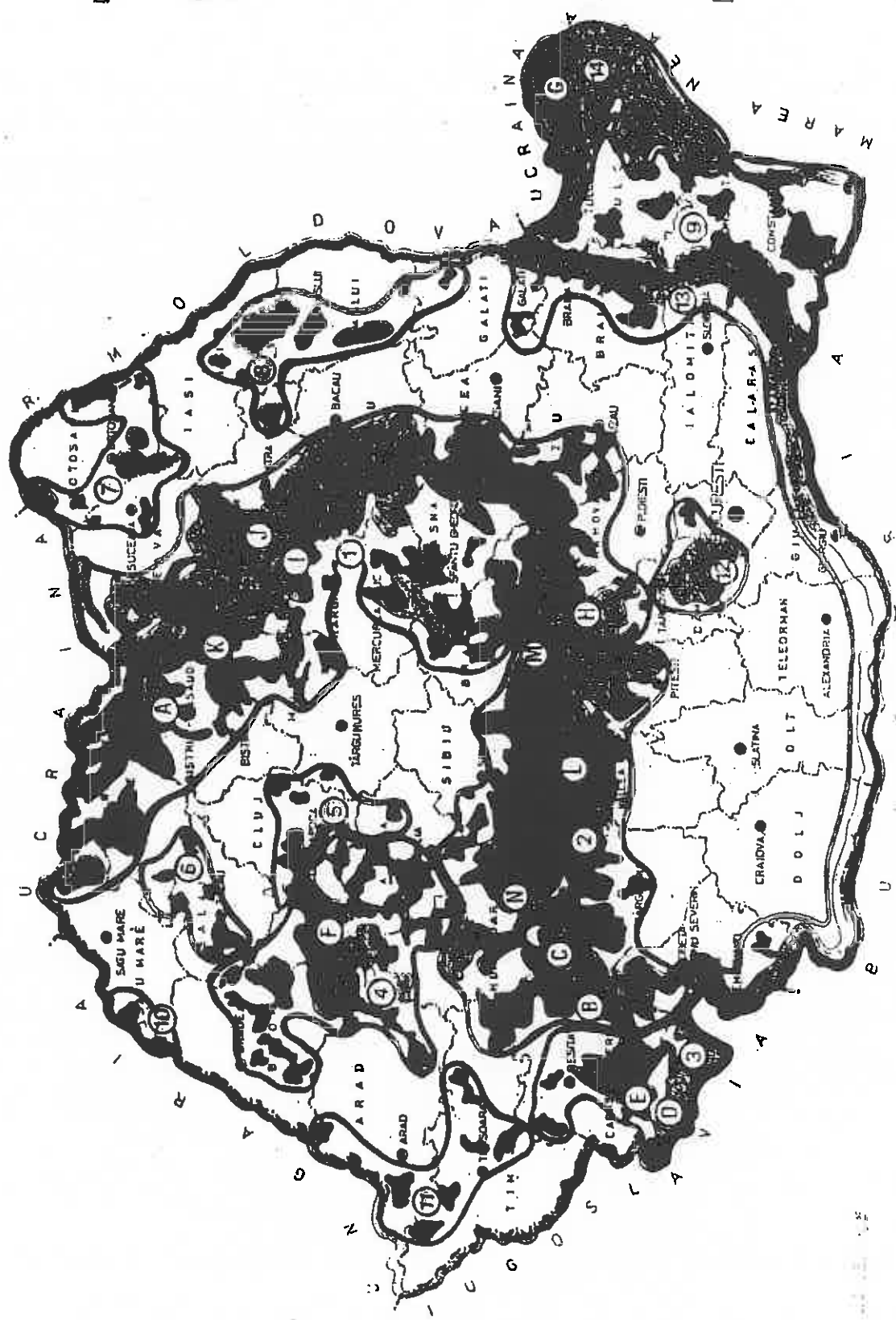


Fig. 26

SECTION 3b - PROTECTED NATURAL AREAS



LEGENDA

①-⑭

Geographical concentration of protected natural areas

(A-N)

Reserves of the biosphere and national parks

■

Areas including natural reserves and monuments

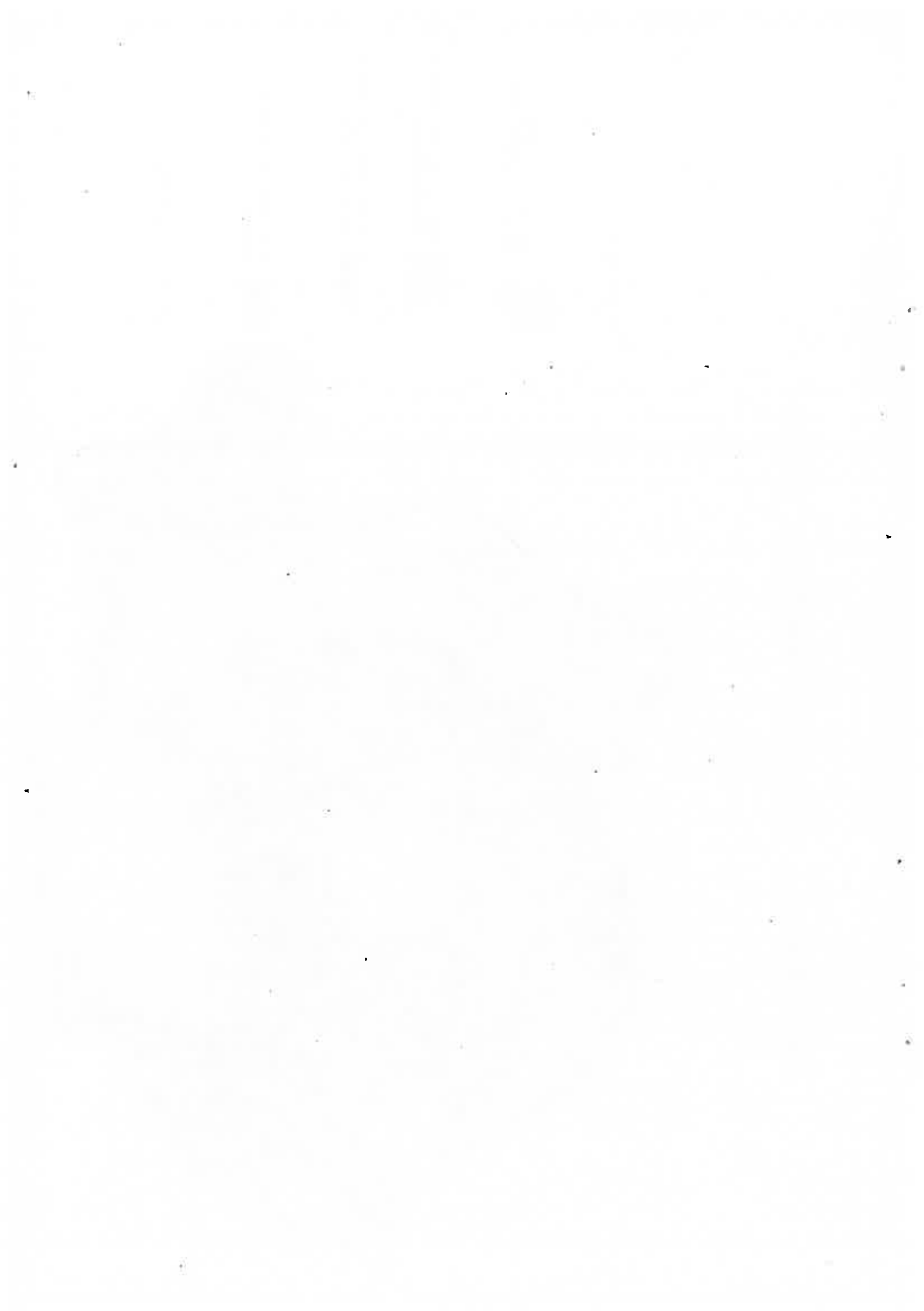
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Areas with various natural resources

□

Agricultural areas

Fig. 27



built-up areas of national importance is the pre-condition for their safeguarding and preserving the cultural identity of the country.

In **Section 4** - the main objective is to develop the conceptual framework for alternative development-models of the network of human settlements.

THE CONCEPTUAL DEVELOPMENT-MODEL OF THE NETWORK OF HUMAN SETTLEMENTS

-BASIC PRINCIPLES-

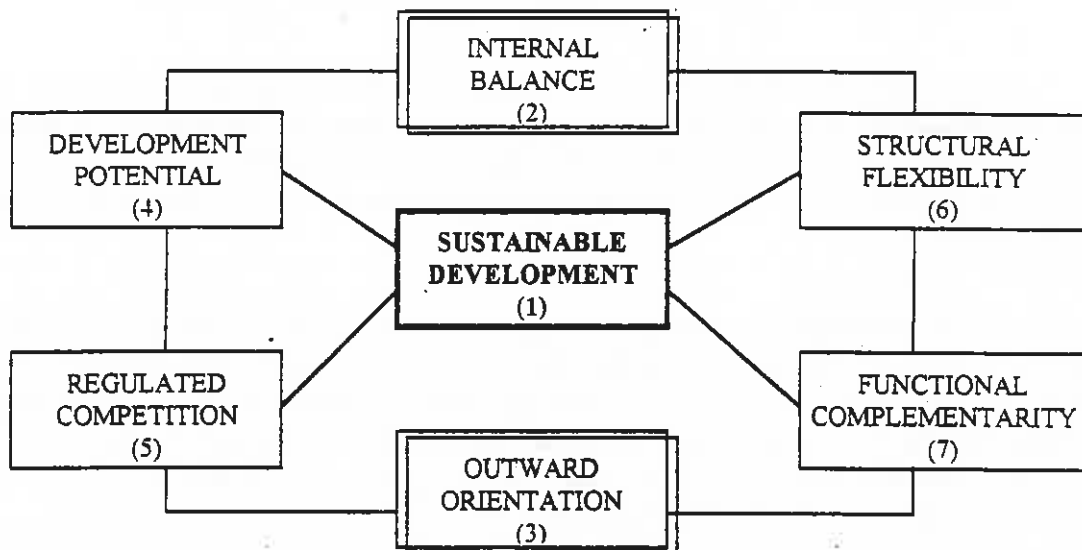


FIG.28

a) The above principles are converging to the **basic requirement of sustainable development**. In terms of overall development of the network of human settlements, they express the development of positive relationship between the settlement and its surrounding territory on one hand, and the environment, on the other hand. In other words, the development strategy of any human settlement should be integrated spatially and ecologically, thus avoiding the translation of issues in terms of time and space. This calls for a new perception in urban development and in regional planning, a perception that would reflect:

- **integration of the environment issues** in the objectives of planning at various levels (general, sectorial and administrative);
- **interdependence and globality** in tackling with the issues of the natural and built environment;
- **a continuous assessment-process** (as opposed to sequenced), an analytical and anticipative approach suitable to the specificities of the natural and anthropic environment;
- **an interdisciplinary approach and public participation** (as deriving from the complex environment issues).

b) Through **Internal balance**, the network of human settlements is to be restructured, in its **configuration and hierarchies**, along three main directions:

- supporting areas of active urban development, within which a strong social and economic centre may be developed which may **counter-balance the excessive growth of the capital-city** and its surrounding area;
- stimulating the development of a certain number of growth-poles, this way creating a dynamic, competitive **multi-centric network** more flexible and adaptable to future changes;
- creating equal opportunities for the entire population to a decent living standard, by stimulating the development of **small towns** and of **greater villages** with development potential so as to multiply urban services in wider areas.

c) The principle of **outward orientation** aims at integrating the network of human settlements in the regional and European structures. In this respect, a greater concern should be given to the settlements situated in the border areas and to the development of infrastructure and activities by which stronger trans-frontier relationships could be secured.

d) The **development potential** is generated by a set of factors including: geographical location, natural and human resources, technical and social infrastructure, political and economic conditions. In this perspective, **each of these favourable conditions should become an opportunity for the settlement to assert its personality**. Among the major factors which, in European context, are the specific opportunities of the human settlement network, it is to be mentioned:

- the contact areas with the trans-european transport system;
- access to the Danube in its most favourable section for navigation; the potential direct links through the water-way with large European cities;
- access to the Black Sea and through it to the potential connection of the national network with important urban and economic areas in the Black Sea Region and in the Mediterranean.

e) **Regulated competition** can be achieved through functional hierarchy and through the setting of quantitative and qualitative thresholds. Without becoming administrative-restrictive measures, the proposed hierarchies should become incentives for the development of specific urban policies, for activating local initiatives, shifting from a lower to a higher hierarchy-level, a process that could be weighed against measurable criteria.

f) **Structural flexibility** would facilitate the translation of the hierarchy-model in time and space, i.e. at the level of regions and specific areas, and in accordance with the evolution of human settlements. It should be based on a reliable information-system, monitoring relationship and changes in various areas.

g) **Functional complementarity** is aiming at the development of bi-, tri-, or multi-pole zonal systems, at the creation of diversified functional structures at regional levels. It means developing cultural, commercial, banking, and business urban centres; at communal level, special functions should be related to various services, such as medical, cultural, etc.

The four priority-sections of the RPNT are conceived so as to provide a long-term strategic-development framework in areas of major importance for the overall economic and social development and for the sustainable development of human settlements. The sections were elaborated by large teams of experts, after consulting the local administrations. Each section of the RPNT is presented to the government, and becomes a draft-law which is to be approved by the Parliament.

In 1994, Section 1 "The major transport infrastructure" was completed; the draft-law was approved by the Senate and is being discussed presently in the Chamber of Deputies. Section 2 "Water management" was presented to the government and Section 3 "Protected areas" is currently being in discussion.

The provisions contained in the priority-sections of the RPNT and gaining legal status through their approval by the Parliament, create a framework for the development of long-term programs of major interest for the economic and social development of the country, in accordance with its potential, with the need to carefully manage vital resources and to preserve the natural and cultural potential.

For the conceptual development-model of the settlements' network (as outlined in Section 4 of the RPNT) to become operational, the principles and criteria it is based upon have to be substantiated by **specific local and regional policies**.

In this particular period of transition, urban policies have to be developed along three main directions: (a) urban development, (b) management policies and (c) economic-development policies.

a) **Urban development policies** should be concerned mainly with the priority enhancing of the characteristic urban features which have led to a certain hierarchic position of the settlement in the general network. Meanwhile, continuity should be ensured by a **management** consistent with the development potential of the settlement.

Urban development policies should aim at controlling urban-sprawl, reducing the commuting-areas, preserving cultural heritage, safeguarding the "rural environment" , securing public participation in defining priorities, etc.

b) **Management policies** in the transition-period are key-issues of the decentralization process. Shifting from the former administrative-model of the totalitarian regime to an efficient citizen-oriented decision-making is a difficult and lengthy process, involving changes both in the structure and in the culture of the administrative institutions.

Although the Law for local public administration (Law no. 69/1991) stipulates a great number (16) of local competencies with direct relation to regional and urban planning, the new model of local governance is still seeking its shape.

The lack of managerial skills, the financial hardships of the transition, the weak involvement of the civil society, add up to short- and medium-term constraints.

The alternative is to develop **strategic planning** as a modern tool for urban management, in order to balance immediate actions with the requirements of a long-term development.

c) **Economic and financial policies** for the development of human settlements in accordance with their importance and regional role, have to involve both the local communities and actions at the national level. In order to create a favourable environment which would attract the economic and financial flows from the macroeconomy toward optimal microeconomic locations, new mechanisms have to be developed - at the national and local levels- for creating support and incentives for public and private investment (subsidies for investment, credits, fiscal facilities, compensations, facilities in acquiring land, etc.); the characteristics and scope of these supporting mechanisms depend upon the future vocation of the settlement in the general network.

In the context of the major economic, political and social transformations entailed by the transition, **the future of Romanian cities depends upon their ability to cope with change and to anticipate the new trends related to European Integration.**

The restructuring and development process, involving new relationships between the central and local administrations, creates new opportunities for **the involvement of the private sector**. The emergence of new actors in this process and the development of free enterprise will induce new opportunities for urban development.

*

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The challenges of the rural areas, of the development of rural settlements are key issues of the sustainable development of human settlements in Romania

The urban and rural components of the settlements' network, though having different characteristics and evolutions, are strongly inter-twinned.

The significant changes that occurred in rural areas in the last decades (as detailed in Section B) resulted in a new distribution pattern of the rural population and of the settlements in general, both urban and rural.

From the rural perspective, it is to be mentioned:

- some of the key-components of the network have lost their polarising potential;
- whole sections of the network became "fragile" (from demographic, economic, cultural, and other points of view).

The dimensions of rural areas - covering about 90% of the area of the country - and the large number of villages (over 13,000, forming 2,686 communes), point to **the priority concern for the network of rural settlements**. Some of the characteristics situate the rural areas in an optimistic perspective:

- a **persistent basic demographic stability**, reflected in the constant overall size of the rural population over the last forty years (of about 10 million inhabitants), despite the population-losses due to rural-urban migration;

- the existing internal resources of the rural areas that could support economic and social revigoration;
- **the re-institution of property rights on land** as a new opportunity to stabilize rural population and to attract groups of population at risk from cities;
- the significant decrease of the rural-urban migration, following the decline of the major attraction of cities (industrialization) and the lifting of former urban-growth policies; the existing young population in rural areas could re-establish the demographic balance that has been deteriorated by previous evolutions.

To achieve the integration of rural settlements in the general settlements' network, meanwhile **preserving the spatial continuum of human development**, it is necessary to identify and develop **polarizing rural-centres**. These centres should provide all the necessary services for the population (consumer, social, specialised services) in rural areas where no nearby urban settlement exists (at a maximum distance of 25-30 km). These rural areas, usually in economic stagnation or involution and with declining population, would benefit from the priority development of certain settlements capable of fulfilling a polarising role.

5.6. Policies for creating equal opportunities for a decent housing

Government-policies for housing are oriented toward the **overall improvement of living conditions in the human settlements, including all the components of the built environment**, with priority concern for the communal infrastructure and the public services, for the preservation of the cultural heritage. The main directions for action are:

- to reduce existing unbalances and distortions, selecting short-, medium- and long-term priorities;
- to strengthen the capabilities of the local administration in decision-making and management, in defining their own development program;
- to stimulate those components of the civil society which could contribute to the improvement of the built environment.

The National Strategy for Housing (NSH) adopted by the Government in 1992, formulated the broad principles and the main objectives for the development of a market-oriented housing sector, creating the necessary legal and institutional framework and providing a social safety-net for low-income families. The objectives, as formulated by the NSH, take into account the present housing conditions and the specific requirements during the transition period, i.e.:

- developing the legal and institutional framework which would stimulate housing construction in a market-oriented environment;
- improving housing management and the maintenance of the existing stock;
- developing a private-rental sector;
- providing a social safety-net for low income families;
- completing the stock that remained unfinished after 1989;

- developing infrastructure for housing.

a) Maintenance, rehabilitation and renewal of the existing housing stock is a priority-issue for improving the present housing conditions. The scope of the issue is very broad, including - in various forms - all of the existing stock of 7.6 million units.

Special attention is to be given to housing in urban areas, to the multi-family structures built after 1950 (about 2.5 million units), in need for extensive rehabilitation of their main components: the infrastructure for heating, water and sewage, energy provision, thermic insulation and waterproofing, etc.

There is also a large number of housing units that have outlived their life-cycle: about 300,000 units in urban areas over 75-100 years old and many units in rural areas built of non-durable materials over 50 years old.

The Government pays special attention to the housing affected by three consecutive earthquakes. Large funds have to be allocated for their expert-survey and consolidation.

With over 92% of the housing stock in private ownership, the great financial costs of **improving the security and comfort of the existing units is incumbent mainly on the population**. Nevertheless, significant funds from the state-budget were allocated for the consolidation of the buildings affected (in accordance with the Government Decree no. 20/1994, as approved by Law no. 82/1995). To stimulate this action, the Government has also in view to further subsidize the already low interest rates of the credits granted for this purpose (from 15% to 5%). The action started in 1993 and is to be further continued.

It is to be mentioned that, despite the above mentioned facilitating measures, the scarcity of resources in the state budget and the difficulties of the owners to repay even the subsidized loans, represent strong constraints in the present stage.

b) The development of a modern urban infrastructure is of critical importance for a civilised housing.

To improve communal infrastructure, the Government allocated significant funds in the last three years, both in urban and in rural settlements. The priority beneficiaries of these funds have been the settlements in urgent need of **completing and extending** the existing infrastructure.

The transfers from the state-budget are **specially earmarked** for the extension of the existing infrastructure and for the completion of unfinished works: water and sewage systems, waste-water treatment plants, district heating, natural gas provision, the development of public transport.

From the so far allocated funds, water catchments and treatment plants were carried out, resulting in a 22.5% increase of water supply and a 24% increase of the waste-water treatment capacities. In the same time, numerous works are in process for natural gas provision in urban and rural settlements, financed from the local budgets and with contributions from the population.

A priority-infrastructure program was also developed (including in the first stage five cities) financed by the EBRD. In the next stage, other nine cities will be included in the program.

So far, an overall 10% increase in communal services has been attained.

b) New housing construction and affordability

In the present conditions of the housing-crisis and of the hardships of the transition, the state acts as a catalyst of the actions oriented toward relaunching housing investment, with a view to attaining a yearly output of about 150,000 units.

The local councils are preparing strategic action-plans, including the assessment of the housing need, of land requirements for the development of communal infrastructure and of the capabilities to produce building materials on the local level.

Building activity is developing toward a free-market. The central administration is committed to support the introduction of new technologies and new building materials in the building industry, on market-economy principles.

Taking into account the need for an increasing output, alternative solutions are being considered to secure in favourable terms the necessary capital from the domestic and foreign markets. Changing and completing Law no. 35/1991, for foreign investment is also being given consideration. Meanwhile, negotiations with foreign firms are under way, in preparing a complex program for housing construction and building materials in Romania, for an estimated 100,000 units/year.

With macrostabilization and declining inflation, there was a slight increase in housing production (1.6 units/1,000 inhabitants in 1994). In rural areas, housing construction is more dynamic: half of the 1994's output was in the rural areas (mostly from private funds - 95%).

From the 64,000 units built by the state that remained unfinished after 1989, two-thirds have been completed up to now.

The privatization process sparked the development of an active housing market.

The regulations adopted so far aimed at stimulating housing construction in general and facilitate the access of young families to a new dwelling in particular (Government Decree no. 391-1993 and Government Ordinance no. 19-1994). In accordance with Law no. 82-1995 approving G.O. no. 19-1994, young families were granted highly subsidized credits to acquire a new dwelling.

By the provisions of the draft-Housing Law, which was presented to the Parliament, it is aimed at further **stimulating new housing construction and developing a social-rental sector.**

The basic philosophy underlying the draft-Housing Law is to **grant free access to a dwelling for every citizen by developing the necessary mechanisms that would facilitate access to a decent home for each individual and family.**

The provisions of the draft-law are based on the following principles:

- To fall in line with the European practices concerning the minimal acceptable standards for housing in terms of usable areas and equipment, according to the number of persons in a family.

- The state through the local administration will provide social protection for the disadvantaged categories, especially through social-housing and alternate housing in cases of disasters.

- Stimulating housing construction through economic mechanisms and facilitating access to ownership for low-income young families.

- Establishing a rent-setting system, allowing for maintenance and repair through the life-cycle of the building.

- To adapt social-housing standards to the European standards and avoid exclusion through location.

- To create a housing stock for disasters and to increase the job-related housing-stock.

- To develop institutions and mechanisms for the functioning of the housing market.

- To achieve a proper balance between owners- and tenants-rights.

- To provide a legal framework for the functioning of the owners' associations, granting free use of ownership rights, regulating the use of common spaces in the building and the relationships between owners and with third parties.

The enforcement of the law will presumably entail investment in housing and the development of the housing market.

Access to housing is granted through renting (for social-, job-related and technical-housing) or through building or buying. The most needy categories would be granted social-rented housing, with subsidized rents.

The state is committed to build social housing and housing in cases of disasters, temporary re-housing for the construction of public utility works, for rehabilitations, etc.

To attract private investors, the draft-law stipulates fiscal facilities (tax reductions for investing in housing).

Young families and other categories would be stimulated in becoming owners by loans granted in favourable terms and by subsidies.

Through a more diversified supply on the market, individuals and families would have a larger choice for a decent home, affordable according to their means. This is one of the pre-conditions for social equity, as formulated by the National Housing Strategy.

d) The social safety-net in the housing sector is a main component of the government-policies, being an integral part of the social-protection system (as described in Chapter 5).

In shaping the new social-protection system, the governance-program took into consideration the resources available in various stages of the transition, by targeting limited resources toward the categories mostly affected by the transition (i.e. unemployed, large families with many children, women, pensioners and other low-income categories).

After the state retreated from housing production and allocation, the government-policy aimed mainly at providing the necessary legal- and regulatory framework. It is related mainly to the followings:

- **To provide security of housing and protection for the tenants.**

After 1989 most families became home-owners through the rapid and very favourable privatization process, thus being protected in the first stages of the transition against the decline of their real income.

The protection of tenants in the remaining public-stock was guaranteed by a law issued in 1994, extending the existing contracts for another five-year period.

- **The phasing-out of subsidies for public utilities was conceived as a gradual process**

The process started in 1993 and was completed in 1994; the gradual increase of utility-costs softened the impact of the increasing cost of housing.

- **Protection for low-income individuals and families**

(in accordance with the Law for Social Assistance no. 67/1995)

Macro-stabilization opened new opportunities for a better assessment of poverty-level and for the development of a means-tested protection-system.

The development of a social-housing sector with subsidized rents, as stipulated by the draft- Housing Law (and outlined above) would provide for the most needy - as they were defined by the Law for Social Assistance. The local Governments would be responsible in establishing the criteria and the priorities in allocating social-housing for those entitled by the law. The rents would not exceed 10% of the families income, the difference being subsidized by the local budget.

- **To guarantee the quality requirements of a decent dwelling**

As stipulated by the draft-Housing Law , minimal acceptable standards for housing will be set for all the housing in terms of area and infrastructure.

The Law for Quality (no. 10/1994) and the regulations concerning the security of buildings created the legal framework for an integrated building and housing-performance system.

D. INTERNATIONAL CO-OPERATION AND ASSISTANCE

I. ROMANIAN EXPERIENCE IN INTERNATIONAL CO-OPERATION

International co-operation is an important means for supporting national actions, as well as for spreading Romanian experience, our strategies and development programs, through bi-lateral and multi-lateral contacts.

Romania was among the first 21 member - states - with a three-year mandate - of the United Nations Committee for Housing, Building and Regional Planning, established in 1962 by the United Nations General Assembly. In this capacity, Romania initiated a series of action for international co-operation in these fields.

The Committee adopted a number of resolutions, as proposed by Romania, concerning: the allocation of a share of the funds made available by the general and overall disarmament for housing, building and regional planning activities; the development of international exchange of experience, organised by the United Nations and other international organisations.

Romania provided, over the last three decades, **expert consultancy** in several countries, on a contractual basis, **design and project - management, feasibility studies**, such as: consultancy for housing studies, projects and co-ordination in Lagos and Kaduna (Nigeria); university - construction in Algeria (the University Centre in Constantine, Campus in Batha etc.); studies and rehabilitation projects for earthquake - damaged civil and industrial buildings in El Chelif (Algeria); design and project - management for housing-estates, administrative and civic centres, tourist complexes in Morocco; studies, projects and consultancy for pre-fab housing and pre-fab industrial buildings in Venezuela; execution of housing structures, schools, commercial spaces in Germany; technical assistance for projects in France; works for water supply systems in Zambia, Mozambique, Nigeria.

Romania, in turn, was provided technical assistance by member - states of the United Nations, especially by the United Nations Development Programme (UNPD). From 1970 on, Romania was granted by the UNPD about 4 million USD in technical assistance, for projects for the human settlements development. Among these projects it can be mentioned: assistance for the rehabilitation of the 1977 earthquake - damaged buildings and for the building of a modern seismic - station; assistance for air - pollution control; new building - technologies; assistance for the execution of the Bucharest - metro system etc.

Through these technical assistance projects, Romania was granted a great number of scholarships and consultancy from highly - qualified international experts.

By the accumulated experience, Romania is committed to become a reliable partner in international co-operation and to participate in the regional and international development processes, to the mutual advantage of the participating countries.

Romania has a **competent and experienced building - industry**. Currently, this industry is being dynamized through privatisation and the development of medium and small-size enterprises. These firms can provide a broad range of specialised construction - services, adaptable to various requirements, in a competitive environment.

In the same time, a number of large enterprises (public-, private or mixed capital ones) has preserved their viability. These enterprises, carrying valuable entrepreneurial and building cultures, have entered foreign markets. Their expertise is related to complex civil works, to special works of great importance, to design-, contracting-, building and project - management activities, including building - site organisation and production.

All the above amount to a significant potential for bi-lateral, regional and international co-operation, for entering housing - construction, infrastructure and urban - development markets.

By its geo-strategic position, Romania is asserting its role of stability-pole, at the East - West convergence and in the contact-area of the Black Sea and the Mediterranean. The firm options for integration in the regional, European and international structures and system is the expression of the country's opening-up to the surrounding regions.

Romania is also being active in the Danube - Countries' Association, by participating to the **Study for the co-ordinated development of the city-ports along the Danube**. Romania proposed, also, a **complex project for the sustainable development of the Danube Region**.

2. PRIORITY FOREIGN ASSISTANCE FOR THE REFORM IN ROMANIA

After the 1989 revolution, in the context of profound political, economic and social changes that followed, Romania committed itself to enlarge co-operation with a great number of states, with the organisations and institutions of the United Nations system. This co-operation encompasses economic, social, juridical and institutional issues, but also housing, public administration and modern urban infrastructure.

With the admission of Romania as a full-rights member of the Council of Europe and the association to the European Union, the relations and co-operation with the European countries (including co-operation in regional planning) gained new dimensions.

The overall reform, the administrative decentralisation and the new competencies and responsibilities of local administrations in solving local issues, created a new framework for **the development of direct co-operation** with partners from other countries and with regional institutions. With the emergence of about three thousand newly elected local administrations, there are many new requirements for assistance, related to strengthening their institutional and technical capabilities in exercising the new tasks of managing the human settlements.

Technical, financial and training programmes provided by international institutions, governments and local administrations from other countries, can be a significant support for the overall reform.

Over the last years, local administrations benefited **directly** of the co-operation programmes established with local communities from other countries, on a bi- or multi-lateral basis. Assistance was also provided Government and non-government organisations, in the form of consultancies, seminars, training - programmes, juridical and technical assistance etc.

An important part of the international co-operation concerning the issues of human settlements is being developed through **the programme of the international organisations**: the Council of Europe, the European Union, the United States Agency for International Development, EBRD, the World Bank, as well as through programmes developed with the governments and other institutions of the E.U.

The objects of co-operation cover the actual issues the local councils of cities and communes are being faced with: improving water - supply systems, developing utility services, managing public services, waste - management, training of the personnel.

Numerous projects and programmes were carried out in environment protection (pilot - project for monitoring air - quality in Bucharest, the national environment - control system etc.). Other topics for co-operation were directly related to housing conditions such as: cadaster and land registering, infrastructure, telecommunications.

The complexity and the priority - character of the challenges the local public administrations are confronted with in cities and communes, the scarcity of resources on the central and local levels, require additional funding for many of the projects and programmes elaborated.

A great number of projects and programmes were supported by PHARE's non-reimbursable funds, by know-how transfers, by training local personnel, by modern equipment. Meanwhile, local authorities received consultancy and expert - advice on issues related to the reform of public administration and the activity of local government.

Other projects and programmes, on the reform of local administration and for the development of the water - supply systems received non-reimbursable funds from EBRD and IBRD.

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Romania considers that the United Nations Conference Habitat II is a significant moment in approaching at the global level the challenges of human settlements and, meanwhile, focusing on the individual with his requirements and aspirations.

The quality of the habitat, in its cultural, social and economic dimensions, is crucial for the future of all societies.

According to its strategic views on the sustainable development of human settlements, Romania is committed to participate in promoting the European and international values.

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ROMÂNIA

NATIONAL COMMITTEE
HABITAT II

ELABORATED ON THE OCCASION OF THE CONFERENCE FOR HABITAT II
ON BEST PRACTICES

DUBAI - 19-22 NOVEMBER 1995

**EXAMPLES OF BEST PRACTICES
ROMANIA**

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SINGLE-FAMILY HOUSING PROJECT TIMISOARA

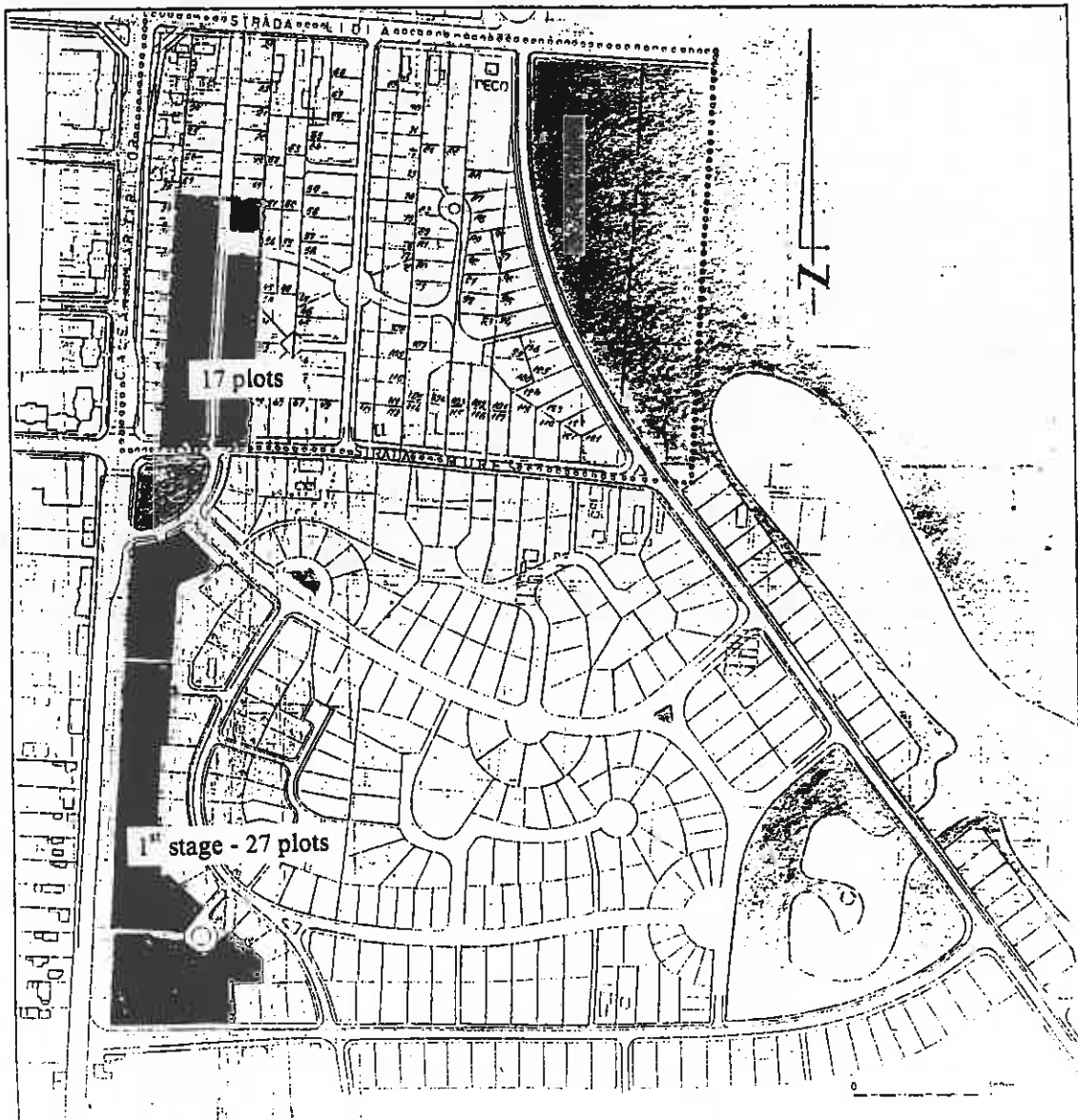
Developer: BRAYTIM - Ltd.

Design company: IPROTIM - Plc. - urban planning - 2A, Paris Street, Timisoara
Tel. 056 / 19 02 97
BRAYTIM - Ltd. architectural planning / construction

Beneficiary: Local Council of Timisoara

BRAYTIM - Ltd., established at the end of 1990 was commissioned for the urban layout plan of an unbuilt area of 22 ha, for the development of individual housing; the area is located South of Timisoara, bordering the Calea Martirilor avenue.

The project started despite the absence of an appropriate legislation (The laws no. 50 and 18 being issued later), as a result of the claims of BRAYTIM Ltd. addressed to the central and local governments. The initiative was considered a pilot project and encouraged by the Ministry of Public Works and Regional Planning.





BRAYTIM Ltd undertook the following actions:

- contacting the authorities
- starting and financing the urban planning study (elaborated by IPROTIM Plc.)
- elaboration of the architectural design projects for the three types of proposed dwellings
- organising press conferences and promotion through the media
- contacting the customers for the new dwellings
- organising the construction works

For the first stage of construction (1990-1993) an urban lay-out plan was elaborated concerning an area of 8 ha (88 plots) of the initial area. The land, owned by the state, is bordering the Calea Martirilor avenue. In 1993 the first 27 houses were inaugurated.

In the second stage (1993-1995) the developer bought 1 ha of land from private owners and divided it in 17 plots in order to build and sell other individual housing.

In the next stage, 1995-1996, following individual demands of land owners from the respective area, and based on the urban plan suggested by the designer, the Local Council of Timisoara took the initiative for developing a new residential area including the necessary facilities.

Before 1990, mainly because of the massive construction of multi - family structures, the access to single-family housing was very limited. Housing was characterised by standardisation and uniformity, hindering the development of private property rights. Urban areas lacking personality, together with other factors, contributed to the maintenance of a poor quality of housing.

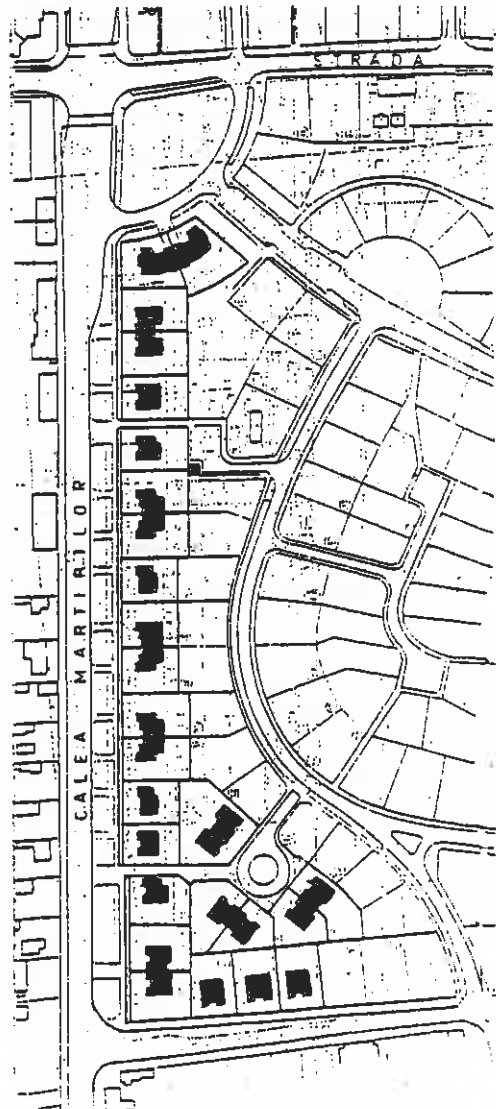
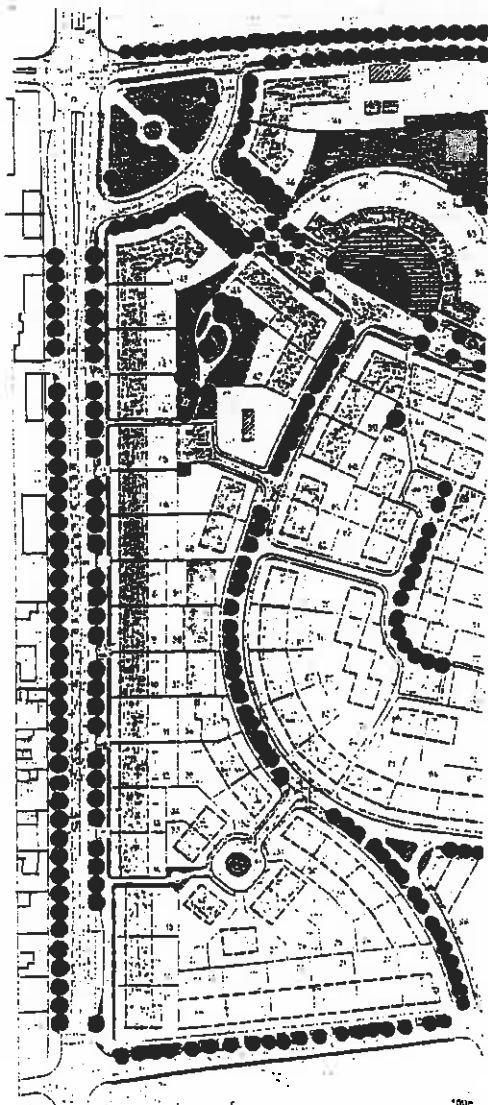
By changing the management system of such an operation, the following options have been adopted:

- diversifying and individualising the urban areas of a neighbourhood in accordance with a unitary urban planning conception;
- the creation of a sinuous street-pattern, resulting in the reduction of the speed of vehicles, personalising the environment, and providing a semi - private character to the area;
- providing green areas in the enclosures formed between plots, for playgrounds, recreation areas, which might facilitate social contacts;
- the provision of pedestrian streets across the area, ensuring connections between dwellings, green areas and facilities;
- arrangement of public areas with high quality public space equipment, specially designed for that area;
- mixing groups of state owned dwellings with the areas of individual dwellings, with a view to obtaining positive social effects, as concerns access to private property;
- introduction of a local regulation in the area, establishing rights, duties and unanimously accepted norms for co-habitation.

Starting the development of the area in its whole, reduced costs were obtained by: the completion of the infrastructure for the entire area, setting-up a single building-site, time-saving in design and construction.

Changing the way of living from collective to individual dwelling has strengthened the feeling of private property, increasing the degree of civilisation with educational effects for the next generations. The land owners were interested to co-operate in land-subdivision and exchanges of land.

A greater flexibility of housing was achieved by a greater diversity of dwelling-types and the sizes of plots (between 300m² and 850m²) according to demands, offering housing possibilities for various categories of families.



For the implementation of the action, the developer used a strategy based on the following elements:

- flexibility in acquiring the land; e.g. in the second stage, for buying a plot of 1 ha, the owner was offered two dwellings in exchange for the plot; this being a novelty in the real estate transactions;
- convenient arrangements to involve land owners;
- sharing responsibilities for land servicing in the area between the local government and the developer;
- raising public awareness about the urban operation through the media, and contacting the owners of land from the neighbouring areas;
- the possibility of establishing a non-profit association of owners, as legal person, to organise auctions in order to appoint a builder, to sell plots obtained by new sub-divisions;
- consulting the land owners and the population within the area to formulate design specifications and finalize the urban plan;
- regulating exchanges of land;
- consulting the owners in order to find out their intentions for building and to make them aware of the advantages generated by their co-operation in obtaining a unitary urban conception;
- market research, advertising in order to find potential customers who might buy land for construction, and to learn about their requirements;
- elaboration of the design specifications;
- elaboration and approval of the urban plan and regulations;
- promoting new building technologies (using "parpaing" blocks which permitted the elimination of the kernels of reinforced concrete, thus reducing the duration of the construction works and the costs);
- the developer assumes the whole responsibility for the design and the necessary approvals in the name of all the owners.

The operation initiated for the realisation of the single-family housing-project in Timisoara induced changes with positive effects as to:

- local regulation (urban regulation and co-habitation within the area)
- sectorial policy of the Local Council (in the field of housing) increasing its involvement and improving its pertaining strategy
- the system for managing such operations
- establishing partnerships between owners, developer, designers, constructors, and the local government.

The positive effects of this operation and the support granted by the local government and the Ministry of Public Works and Regional Planning justify its inclusion among the best practices in the field of sustainable development.

REHABILITATION OF DWELLINGS IN A LOW QUALITY APARTMENT-BLOCK - TARGOVISTE

Design company: PROIECT DAMBOVITA Plc. - 18, Poet Alexandrescu,
Targoviste, Tel. 045 / 61 21 38

Author: Arch. Ion REGMAN

Beneficiary: CORINT Plc.

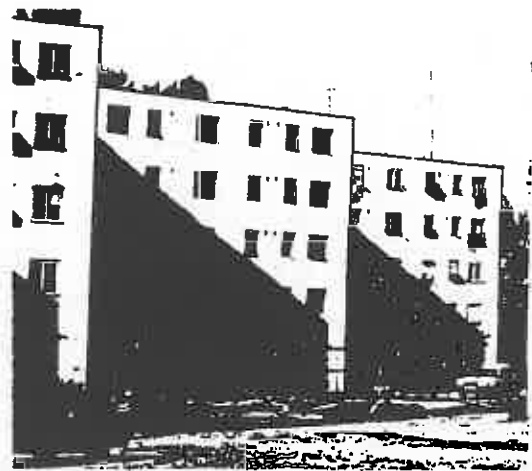
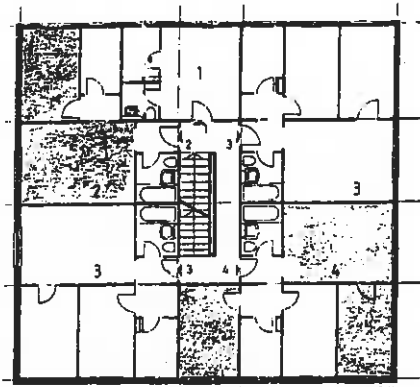
The chosen example is the block of flats no. 13 on 3, Dumitru Oprescu street, quarter VI (a residential area consisting of multifamily structures, mainly 4 storey high) in the city of Targoviste, whose population is approximately of 100,000 inhabitants. The structure of the block consists of diaphragms of reinforced concrete. It was built in 1968. Between 1965-1975 in Targoviste some 2,200 low quality apartments were built, by Decree of Government. Between 1985-1986, 125 of these apartments have been rehabilitated, including those in the chosen example.

The dwellings belonged to the private domain of the state and were rented out. The 25 apartments in this block consisted of 5 one-room apartments, 5 two-rooms apartments, 11 three-rooms apartments, 4 four-room apartments, all being of the lowest level of quality IV. This level of quality was characterised by:

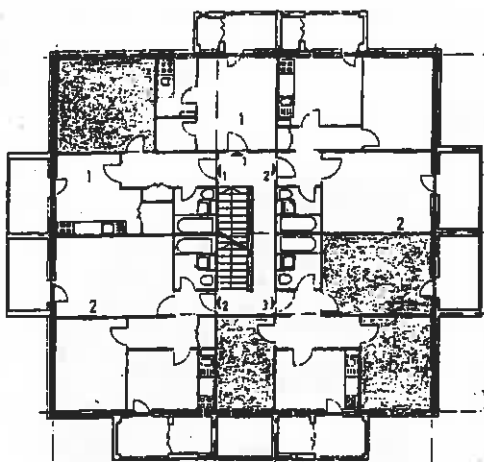
- very small living and usable area (8m² bedrooms, 4m² kitchens);
- no room for storage and no balcony;
- no separate access to bedrooms in all types of apartments;
- finishing of poor quality (materials and workmanship);
- aggressive, impersonal volumetry;
- poor thermal insulation, generating condensation;

The main objectives of the intervention were to improve living comfort and the exterior out-look. By reorganising the existing space, the number of apartments was maintained, but their structure has been altered. The result consists of 10 one-room apartments, 11 two-rooms apartments, 4 three-rooms apartments, all being more comfortable. In order to improve the comfort of housing, the following works were performed:

- new interior division in order to create larger bedrooms and kitchens;
- new, higher quality interior finishing, consisting of parquet-floors, mosaic-floors, plastering, walls-veneering, faience;
- new interior carpentry;
- balconies - some including closed room for storage;
- covering of the exterior walls with a 15 cm thick wall of cellular expanded concrete, in order to improve thermal insulation;
- rehabilitation and development of the infrastructure (water, sewerage, heating, electricity);
- roof-framing covered with ceramic tiles;
- creating a clean basement with thermally insulated and ventilated storage-rooms



BEFORE AND AFTER THE INTERVENTION

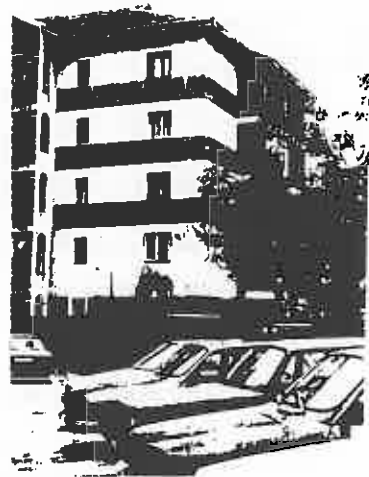
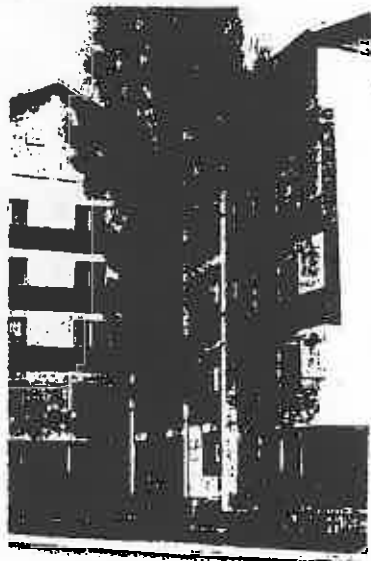


The following aspects about the dwelling's comfort have been improved:

- the living and usable area grew with approximately 25-30% for the bedrooms and 25% for the kitchens;
- the thermal insulation was improved;
- the quality of finishing was improved;
- the building infrastructure was up-dated (water, sewerage, heating, electricity);
- new storage spaces were created in the basement and storage-rooms with access from the balcony;
- the exterior out-look has been improved with superior finishing (terrasit and plating bricks), the volumetry receiving personality with the presence of balconies and hip roofs

The costs of the rehabilitation account only for 45% of the cost of a new similar construction.

After the intervention, the apartments were privatised by selling them to physical persons.



The operation did not only improve the comfort of the apartments, but also the quality of the urban framework of the residential area.

The achieved rehabilitation of the apartment-block is part of an operation that was focused on 5 blocks of flats. The result consisted of 125 apartments with improved quality.

Starting from this example, the Prefect's Office of the County of Dambovită initiated a similar project in 1990, whose development was supported by the local councils in Târgoviste and other smaller localities like Titu and Pucioasa. This program is now in progress and shall be extended to the whole low quality housing stock.

**PROTECTION, CONSERVATION AND DEVELOPMENT OF THE HISTORIC
HERITAGE AREA OF THE CITY OF SIGHISOARA**

**Integrated Study for specific urban planning projects and for the structuring of
the urban renewal operations**

Design company: URBANPROIECT Institute
53-55, N. Filipescu Street, 70136 Bucharest 2, Romania
Tel: 211 78 42, 211 78 43

Author: Arch. Doina BUBULETE

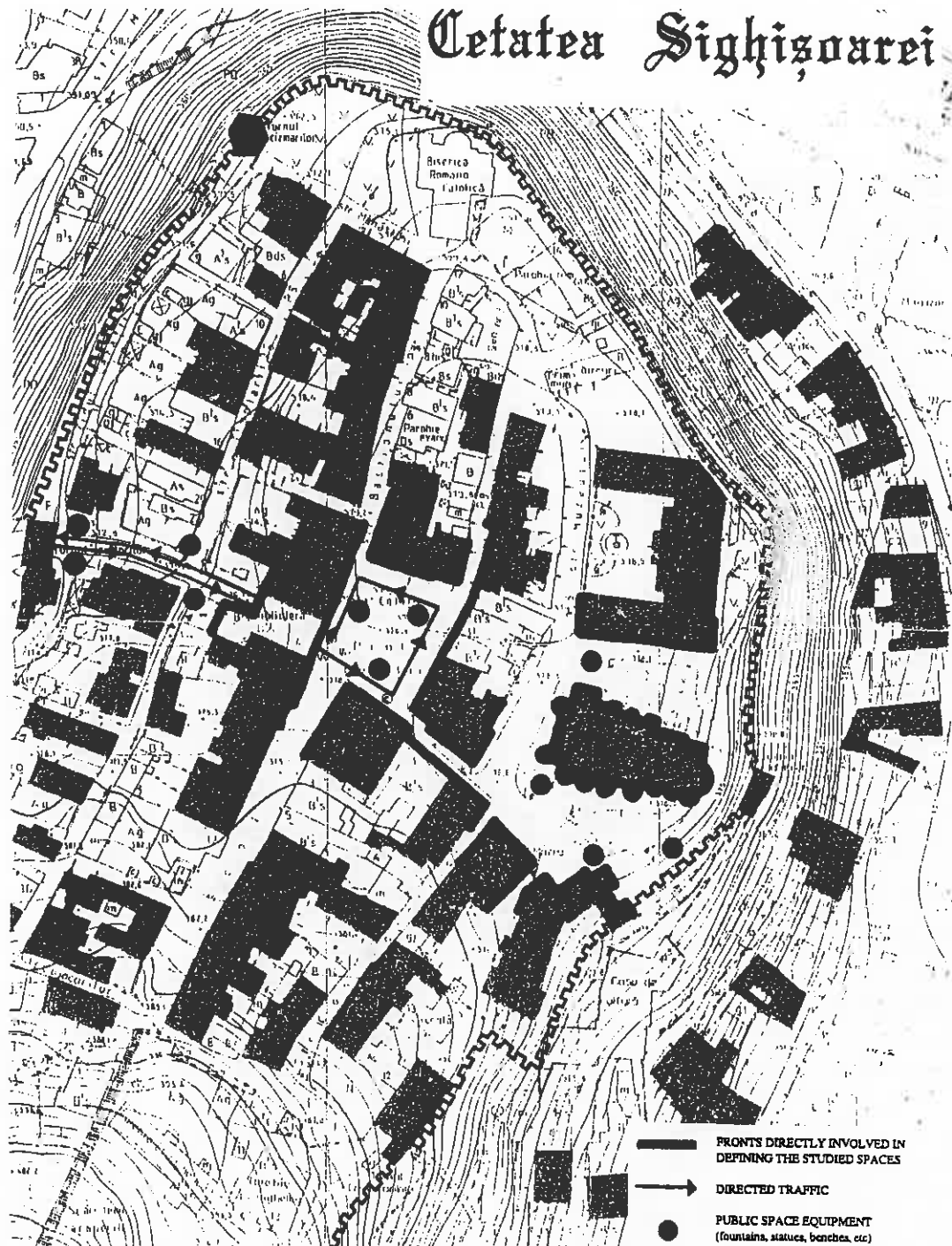
Beneficiary: Ministry of Public Works and Regional Planning upon the demand
of the Local Council of the Municipality of Sighisoara



The city of Sighisoara, situated in the centre of Romania, has been established in the medieval period (the XIIth or the XIIIth century) and has a population of 35,000 inhabitants.

The city's history registered successive periods of flourishing and decline, during a complex evolution marked by various events: battles, fires, epidemics, floods, etc.

The city has developed around the medieval fortress built in the XIVth century on a natural promontory (the Fortress Hill) with the Tarnava river running at it's feet.





The dull urban development, the lack of concern for the preservation of the heritage values from the centre of the city, together with the depopulation lead to the decay of the built environment of the city, to destructuring interventions (brutal demolitions in the immediate neighbourhood of the Fortress) and finally the "neutralisation" of the city's specificity (site, situation, monuments, community traditions).

With a view to establishing protected areas for the preservation of the natural and built heritage and in order to re-instate the construction regulations abandoned for over 40 years in Romania, the centre of Sighisoara became in 1991 the object of a pilot-study.

The study was developed along the following steps: delimitation of a protected area for the historic heritage, elaboration of the zonal urban plan and regulations (urban management documents), elaboration of the intervention program for the area of the lower city (analysis, regulations, operational strategy) and the study for the revitalisation of public spaces within the Fortress. The accomplished works represent a "premiere" in urban planning research, having a methodological character, with the aim to establish the necessary framework for typical urban-planning projects and serving as models for the approach of the specific issues of protected areas.



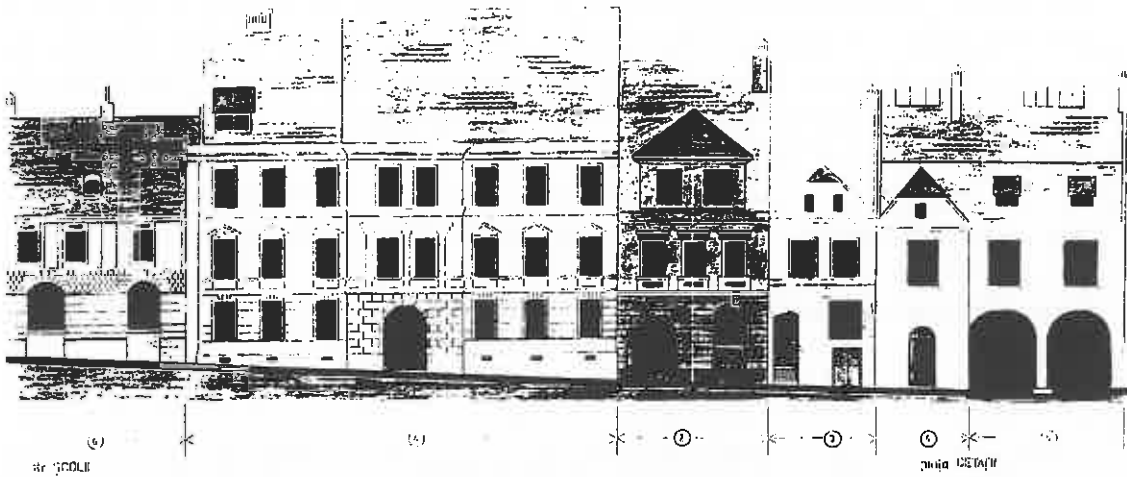
The topics of the work stages were:

1. **The delimitation of the protected area for the historic heritage** was made by multicriterial analysis, observing the historic, architectural and urban planning, functional, and visual aspects. The steps carried through have been: establishing the qualitative criteria, their hierarchy, translation of these criteria into quantitative values, determination of the level of concentration of values by superposition. The result was a coherent perimeter, delimiting an area of 145,5ha.

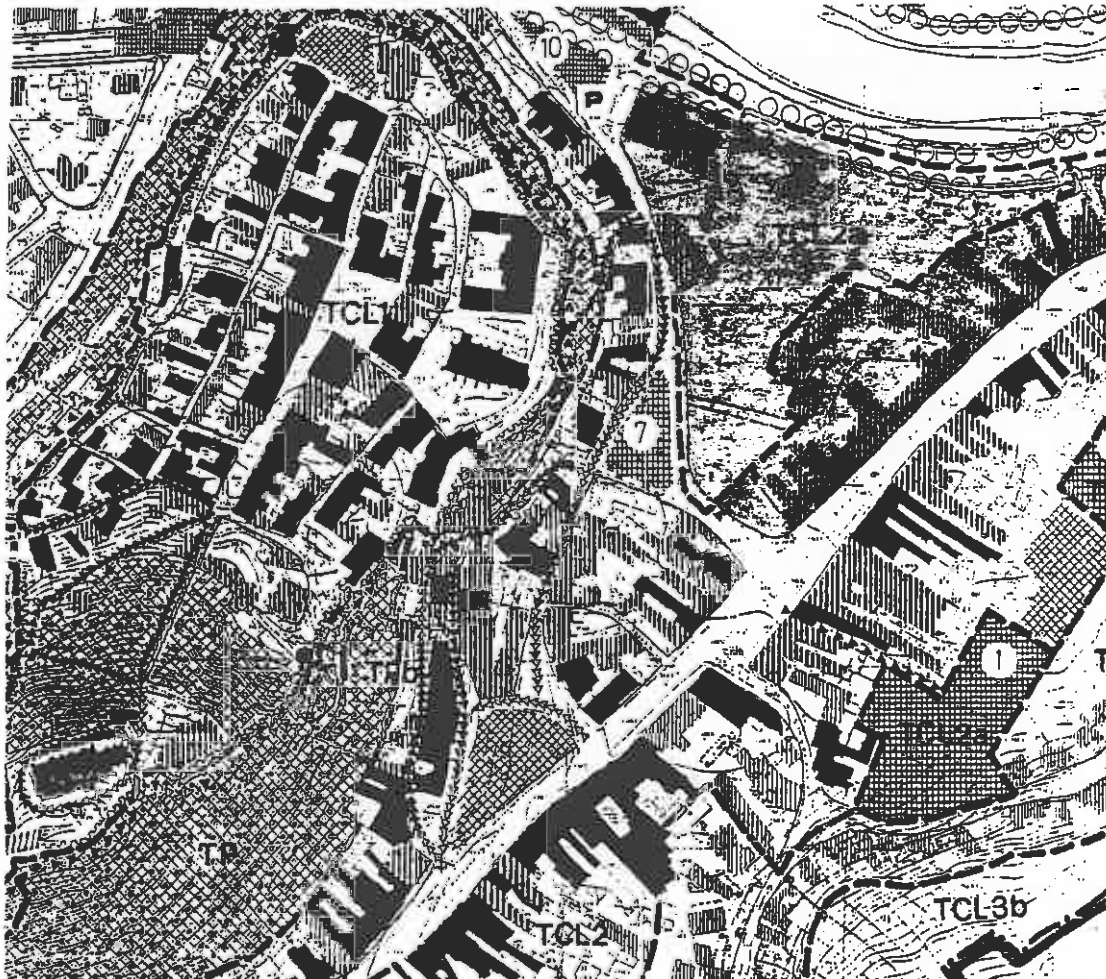
2. **The elaboration of the Zonal Urban Plan** imposed a new series of background analysis: geographic environment and reference elements at the city-scale, opportunities and disfunctionalities, analysis of the site, morphological analysis of the urban tissue, aesthetic, architectural, and functional aspects. The results of the analyses generated attitudes towards the existing situation and determined the possible zoning for the elaboration of the regulations. Finally, the elaborated building regulation contains provisions regarding:






- protection and conservation of classified buildings;
- spatial re-organising according to the existing situation, promoting an active integration;
- protection and revitalisation of green areas and landscapes;
- improving the quality and complementary actions in high density built areas, respecting the regulations and obligations;
- functional re-organising and aesthetical regulations;
- diversity by re-structuring the plots;
- the establishment of the main pattern of public services;
- issues regarding land transactions.

According to the existing legislation, the whole project was approved by the Local Council of Sighisoara, becoming a formal urban management document (a basis for building permits).



ZONAL URBAN PLAN - THE PROTECTED AREA FOR THE HISTORIC HERITAGE - REGULATIONS



-  PROTECTED AREA LIMITS
-  SUB-ZONE OR SECTOR LIMITS
-  BUILDINGS OR PARTS OF BUILDINGS WITH ENVIRONMENTAL VALUE
-  EXISTING PEDESTRIAN STREETS TO BE MAINTAINED OR RE-DESIGNED
-  PROPOSED PEDESTRIAN STREETS

3. Within the zonal plan, a **subzone** was defined (the Lower City) in which, due to former brutal destructurations generated by the intention to develop a new centre, urgent intervention is needed. Because this area is the support for the Fortress and facing the river Tarnava. **The program for intervention in this subzone** (analysis, special regulations, operating strategy) had the purpose to assure the maximum coherence of the actions (areal approach), detailing certain regulations from the zonal urban plan imposed by the urgency of intervention, and finally assuring a complete answer to the pressing and precipitated demand for land in this central area. For the implementation of strategic planning by the local administration, a draft strategy for complex integrating revitalisation was elaborated, translating the study in the managerial field.

The operational part of the proposed program consists of the establishing of the long, medium and short term objectives based on the identified barriers and opportunities and suggesting the possible responsibilities, means and methods for the implementation of the strategy.

All the works regarding the protected area of historic value from Sighisoara have been handed over to the local municipality. They have been analysed, approved (the Zonal Urban Plan) and now they are the basis for the coherent management of the area and for the elaboration of the file which will include the whole ensemble in the list of international heritage (UNESCO). The complete set of works described above form the basis for a wide operational program for zonal development, whose start is already marked by the realisation of certain investment projects.

REVITALISING THE CENTRAL AREA OF THE CITY OF RADAUTI

A program for revitalisation and development and strategies for implementation

Design company: URBANPROIECT Institute
53-55, N. Filipescu Street, 70136 Bucharest 2, Romania
Tel: 211 78 42, 211 78 43

Author: Arch. Doina BUBULETE

Beneficiary: Ministry of Public Works and Regional Planning upon the demand
of the Local Council of the Municipality of Radauti

Radauti is situated in the northern part of Romania, in the County of Suceava, at 36 km from the capital city of the county, the Municipality of Suceava.

The existence of Radauti is documented since 1413; it was declared town in 1819, and municipe in 1994.

Radauti covers 811 ha of land and has 30,865 inhabitants.

The central area of the city of Radauti covers 48 ha and is adjacent to the historical centre. Its actual state reflects a real lack of representativeness and specificity, but its complex potential confers it a dynamising value in the context of the urban development.

The study investigated the multiple aspects that characterise the area, in order to identify the possibilities of revitalising.

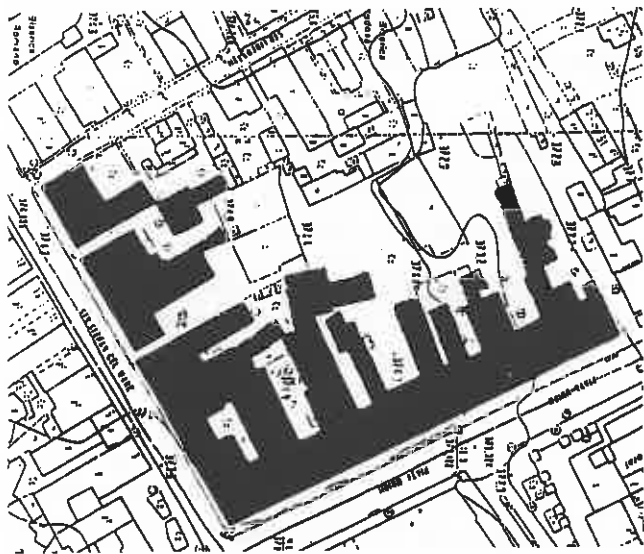
The final aim of the study was to provide alternative programs of zonal development, by delimiting the area with the highest development potential, which might be tackled with by efforts correlated with the urgency of the required interventions.

The operational strategy has been established in order to support the local administration of the municipality in overcoming the difficulties resulting from the inconsistencies of the legal and institutional framework and the insufficiency of the local managerial abilities.

By establishing the local economic profile, the urban development policies and the position of the town within the regional and national framework, an **integrated strategic vision on revitalisation of the central area** has been realised.

After the spatial/urban planning component of the process has been accomplished, highlighting the economic aspects, **three alternative strategies** have been elaborated:

- 1. The centre as a framework for residential purposes**, with a pleasant environment and adequate facilities for a modern residential area. The development should go beyond the amplification of the specific function, which is already present, but not adequate (because of the actual system of rents).



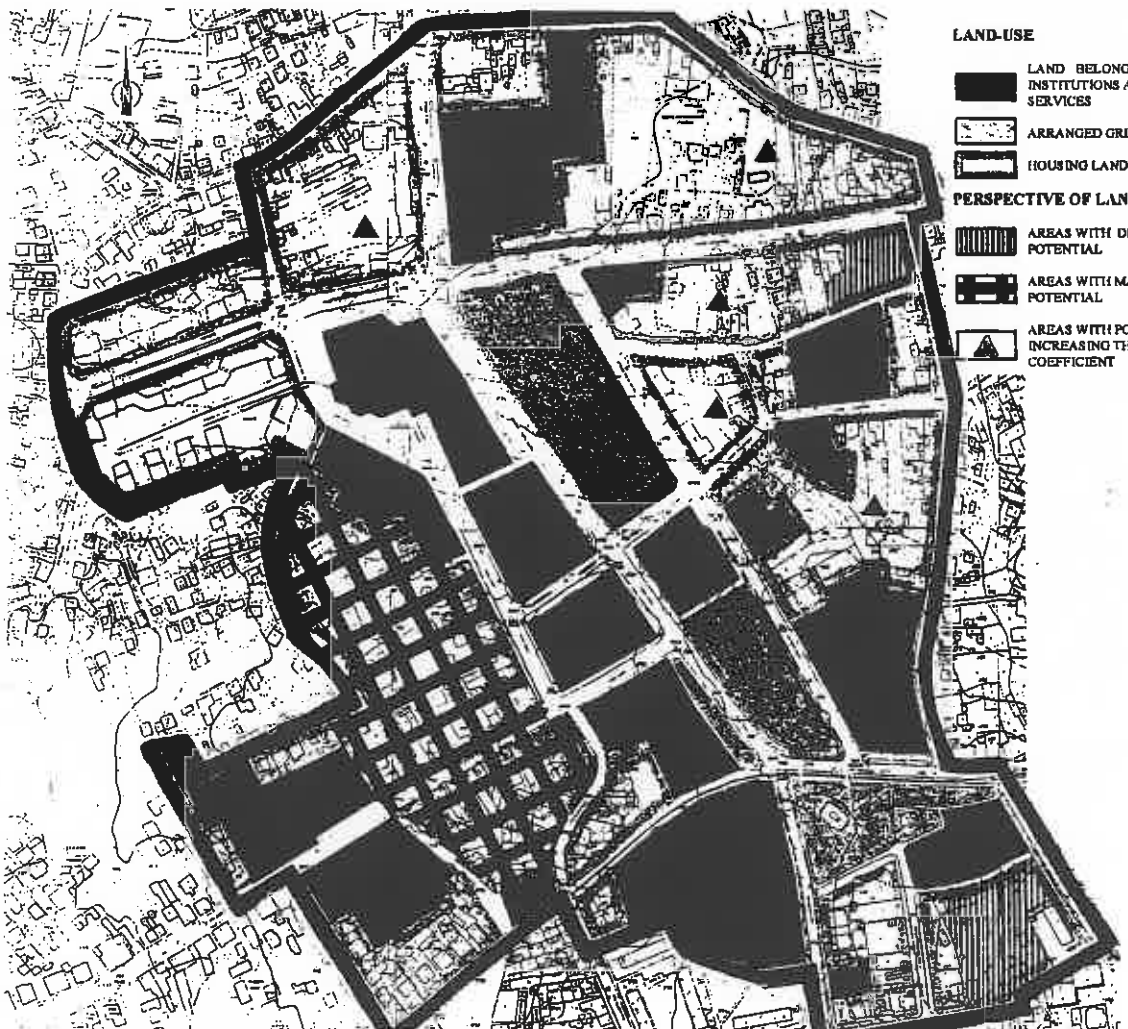
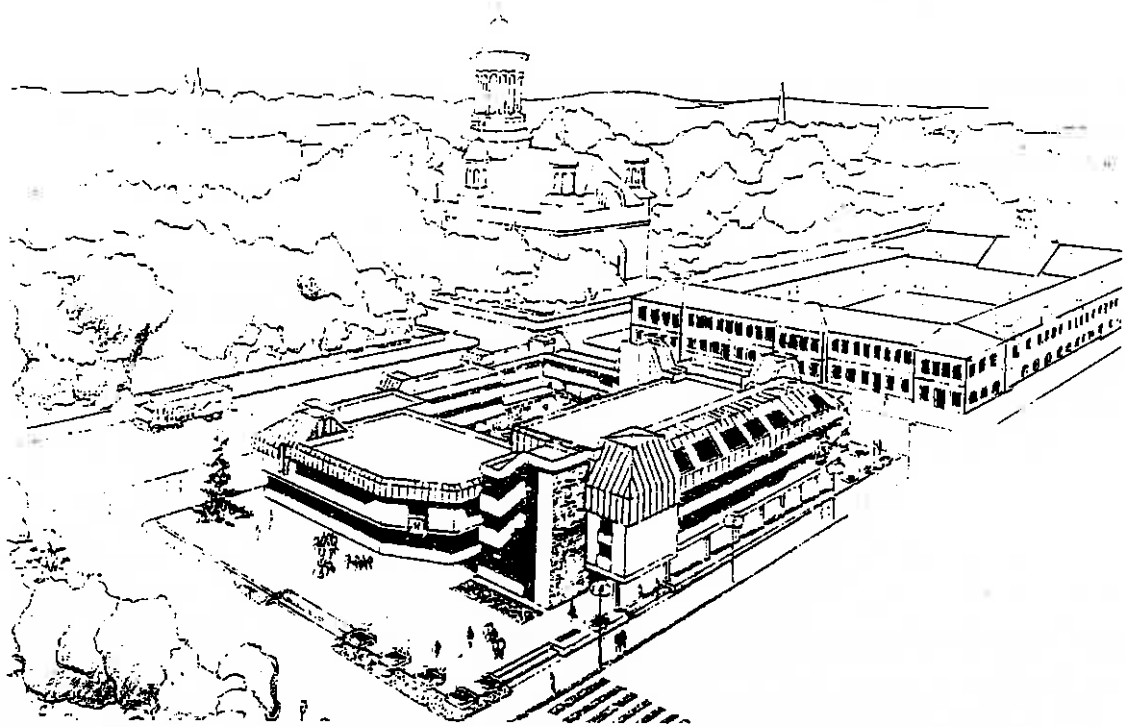
2. **Tourist centre, based upon the exceptional tourist potential of the region.** The option, even so attractive and profitable, implies the existence of a regional strategy for tourism promotion (difficult to realise at present).
3. **Trade and business centre.** This option is built upon the idea of valorising the existing built stock from the traditional centre, by attracting small and average size businesses.

The complex analysis of the possibilities for revitalising showed that the last alternative gives a better answer to the need for development, without hindering the evolution towards the other options.

In order to implement this strategy, a guide of operations was finally elaborated, whose structure is as follows:

- **the preparatory stage** with the objective to identify and involve the public and private stakeholders in the process of developing the institutional framework that will ensure the development of the program.
- **the operational stage**, with the objective to select the taskforce that will manage the revitalisation operation and the elaboration of a 12 months action plan.

The study was based on: documentation from specialised literature for the fundamentation of the concepts, a complex multicriteria analysis in order to establish the diagnosis of the area and establish the specific operations and constraints, followed by a series of useful investigations for identifying the actors involved in the operation (local authorities, county authorities, Jewish community, small private business, dwellers, etc.).



The elaborated study was handed over to the Local Council of the Municipality of Radauti, which warmly received it and started a program for implementing the proposed strategy.

Similar development - revitalisation programs are demanded in many of the 262 municipalities, cities and towns in Romania, whose physical potential and historic, cultural and affective values have been ignored during the last decades.

**DELIMITATION OF THE PROTECTED AREAS FOR MONUMENTS
OF OUTSTANDING NATIONAL-HERITAGE VALUE
THE VORONET CHURCH**

Design company: URBANPROIECT Institute
53-55, N. Filipescu Street, 70136 Bucharest 2, Romania
Tel: 211 78 42, 211 78 43

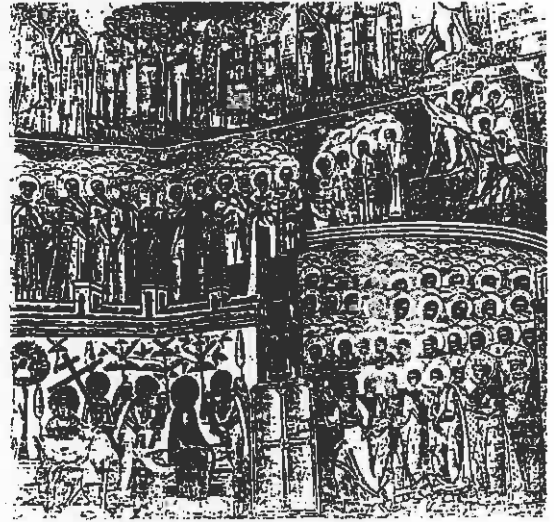
Author: Arch. Cristina CRISTEA

Beneficiary: Ministry of Public Works and Regional Planning and the County
Council of Suceava

One of the main priorities of the regional planning is to protect and to preserve the national and cultural heritage.

Romania has a significant place in Europe's culture as keeper of material testimonies of different eras of civilization, being the "cradle" of major cultural phenomena.





According to the latest archeological findings, the Romanian territory represents "the home of the ancient Europe", with a "treasure" of archeological, architectural, artistic, ethnographic and religious documents reflected in the existence of approximately 20,000 historic monuments, out of which, according to the latest estimations of the National Commission for Historic Monuments, 500 are of outstanding value.

This vast cultural heritage, after several decades of neglect, was confronted with the danger of irreparable losses after 1990, due to the pressure of investments in historic centres.

According to the present legislation, promoted after 1991, urban and regional planning projects have been elaborated during the last four years with the aim to protecting historic monuments of outstanding value for the national cultural heritage.

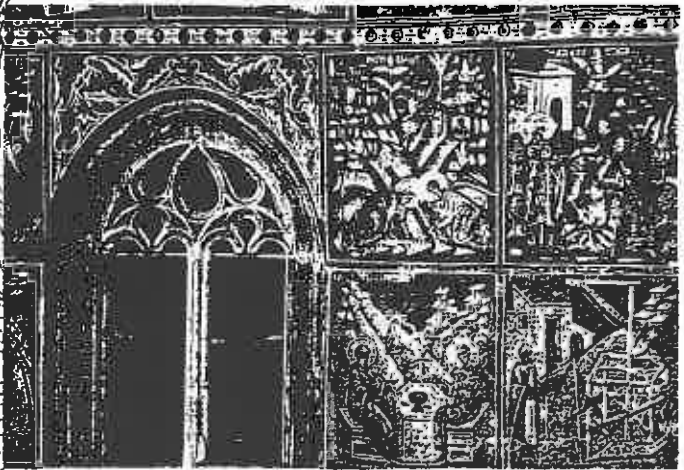
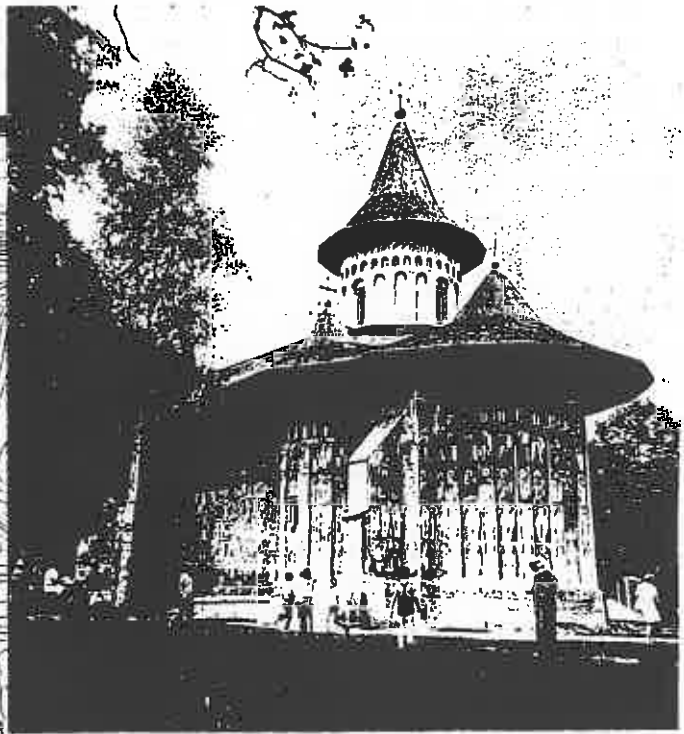
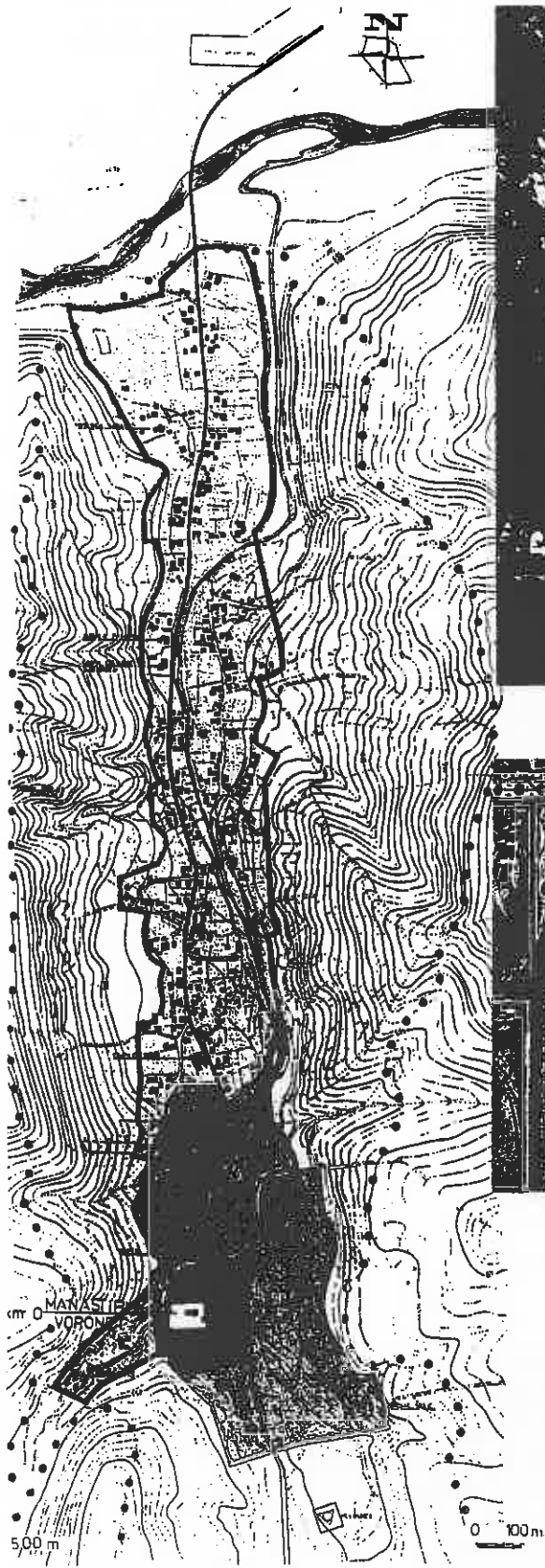
Among these historic monuments, the "monasteries with moldavian style churches" are relevant for understanding the byzantine and post-byzantine art and architecture in Eastern and South-Eastern Europe. They were built during the rule of Stephen the Great and have an original architecture and an exterior fresco decoration - unique phenomenon of christian art.








These historic monuments, known as "churches with exterior painting", preserved mostly in rural localities of the Suceava County, are remarkable - beyond their exceptional architectural and artistic value - for respecting the authentic natural and built site of environmental value.



The Voronet village is relevant for these localities. It is located at about 500-600 m altitude, along the Voronet Valley, on the access road to "the Church of Voronet Monastery", an historic monument built in 1488, foundation of Stephen the Great.

Externally decorated in fresco in 1547, the Voronet church is the most brilliant example of the moldavian style - a special blend of gothic and byzantine styles. The building is remarkable for the harmony of its proportions perfectly adapted to the



-  RIVERS
-  LIMITS OF THE BUILT-UP AREA
-  THE HISTORIC MONUMENT
-  STRONG PROTECTION AREA
-  AREA PROTECTING THE VALUES OF THE HISTORIC CONTEXT AND THE IMMEDIATE NEIGHBOURHOOD
-  PROTECTED AREA OF ENVIRONMENTAL VALUE
-  PROTECTED LANDSCAPE AREA

surrounding landscape which is dominated by forests, isolated from transit roads, end of road for the religious processions which attract a great number of christians from all over the the country during celebration days.

The analysis of this historic and religious significance of the place was the background for the delimitation of the protected area of the historic monument. The study aimed at establishing concentric protection areas around the historic monument, with different degrees of protection, in terms of the permitted interventions.

Consequently, by urban planning studies, the following sub-zones and their specific protection and development regulations were established:

1. Strong protection area:

- consists of the neighbouring territory of the monument (an area of about 100 m around it)
- all building works are forbidden (with the exception of maintenance works)
- only conservation and/or restoration works can be carried-out, under the direct supervision of the Department for Historic Monuments of the Ministry of Culture.

2. Area protecting the values of the historic context and the immediate neighbourhood

- consists of the surrounding lay-out of the monument, subordinated to it from volumetric, aesthetic and functional points of view, completing its visual perception
- any interventions which might influence the perspective views of the monuments are forbidden

3. Protected area of environmental value

- consists of the area visually encompassed along the access road to the monument
- the present land-use must be preserved
- housing and public institutions are accepted, under the condition of respecting the present architectural character and without having a negative impact on the visibility of the monument

All these three sub-zones are located within the limits of the built-up area of the village.

4. Protected landscape area

- includes the visual field towards and from the historic monument, the natural site which gives specificity and identity to the historic place
- all types of building interventions or deforestation are forbidden if they are likely to alter the specific views and the significance of the place

The urban planning project for the Voronet village, providing the delimitation of the protected area of "The Church with Exterior Painting" - elaborated by the Institute Urbanproiect and commissioned by the Ministry of Public Works and Regional Planning - was approved by the Romanian National Commission for Historic Monuments and the County Council of Suceava, thus gaining legal force in establishing the protecting/development strategy of the village.

At the same time, the project - as a pilot-study - established a methodological approach which was used in similar projects carried-out between 1992 and 1995, i.e. delimiting protected areas for religious historic monuments in the counties of Maramures, Sibiu and Valcea. It also opened the perspective to extend the study to all the historic monuments of exceptional value.

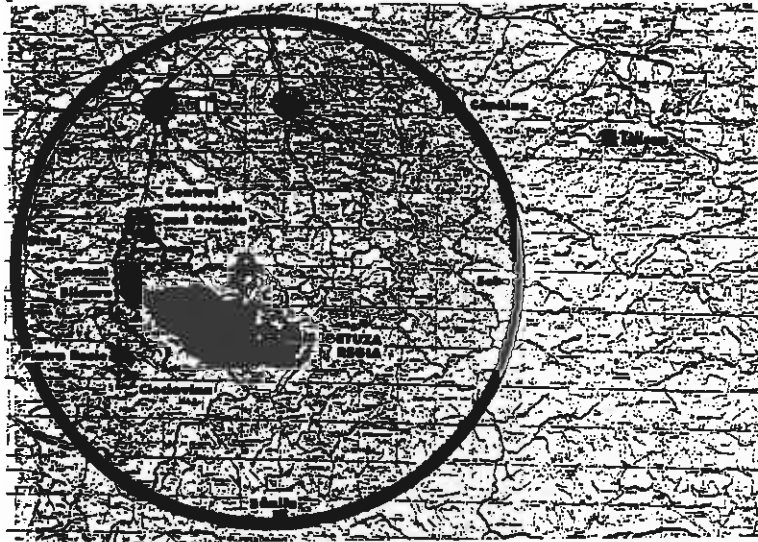
**DELIMITATION, PROTECTION AND CONSERVATION OF THE
ARCHEOLOGIC AREAS OF PRE-HISTORIC AND HISTORIC HERITAGE
FROM THE ORASTIE MOUNTAINS**

Design company: PRODOMUS Institute
53-55, Nicolae Filipescu Street, Bucharest 2,
Tel. 211 78 40, 211 66 54, 211 66 53

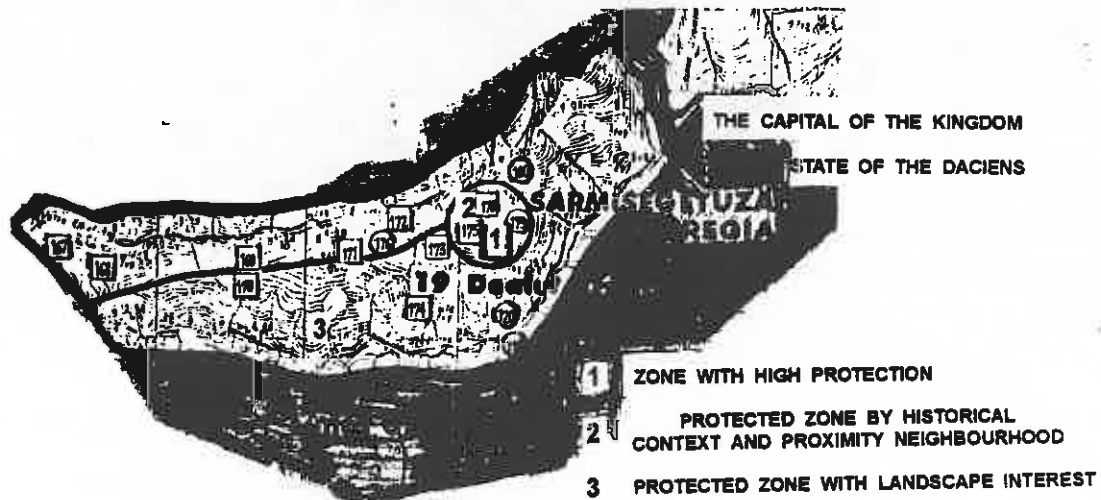
Author: Arch. Aurelia IVANES

Beneficiaries: Ministry of Research and Technology
Ministry of Public Works and Regional Planning
The County Council of Hunedoara

The archeologic vestiges of the Orastie Mountains bear witness of an outstanding cultural and natural heritage. Urban and regional planning studies are called upon to contribute to the correct and full assesment of this heritage, to the conservation, protection and preservation of the historic monuments.



THE ARCHEOLOGICAL AREA OF THE ORASTIE MOUNTAINS



THE ARCHEOLOGICAL AREA

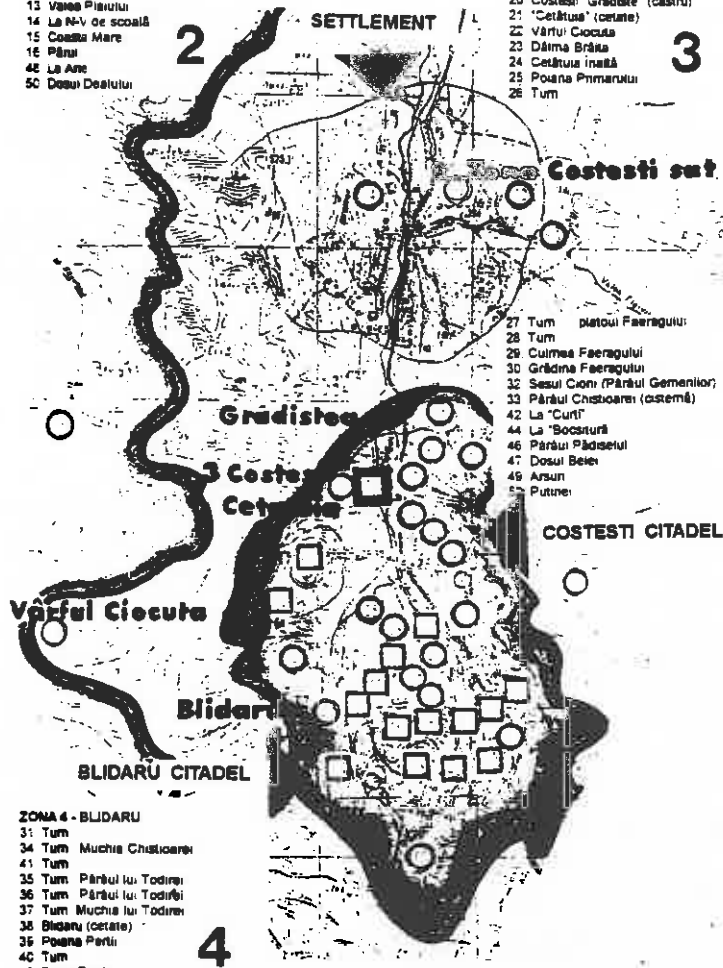
SARMISEGETUZA REGIA GRADISTEA MUNCELULUI

ZONA 2 - COSTESTI SAT

- 9 Cosmuri
- 10 Poana Cetătesii
- 11 La nord de biserică
- 12 Grâu Negru
- 13 Valea Piatului
- 14 La N-V de școală
- 15 Coasta Mare
- 16 Pârâi
- 45 La Ane
- 50 Dealul Dealului

ZONA 3 - COSTESTI-CETĂȚIUE

- 17 La Turură
- 18 Poana Rădăcinii
- 19 Sesul Cucer Rusilor
- 20 Costesti "Grăditea" (castru)
- 21 "Cetățuia" (cetate)
- 22 Vârful Ciocuta
- 23 Dâmba Brăsa
- 24 Cetățuia înaltă
- 25 Poana Pinarului
- 26 Turm



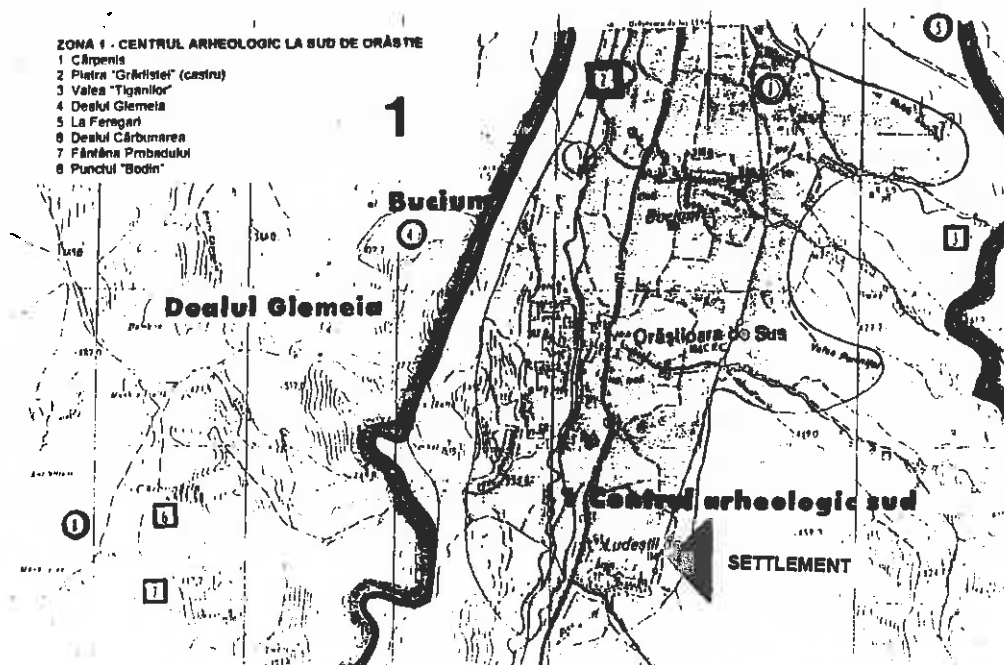
MICROZONE CONTAINING ARCHEOLOGICAL ELEMENTS

ZONA 4 - BLIDARU

- 31 Turm
- 34 Turm Muchia Chistoareni
- 41 Turm
- 35 Turm Pârâul lui Todirei
- 36 Turm Pârâul lui Todirei
- 37 Turm Muchia lui Todirei
- 38 Bldaru (cetate)
- 39 Poana Partii
- 40 Turm
- 42 Poana Popii
- 57 Pietreasa lui Solomon

ZONA 1 - CENTRUL ARHEOLOGIC LA SUD DE ORĂȘTIE

- 1 Cârpenia
- 2 Pietra "Grăditea" (castru)
- 3 Valea "Irganilor"
- 4 Dealul Glemcia
- 5 La Feregan
- 6 Dealul Cărbunarea
- 7 Fântâna Probedului
- 8 Punctul "Bodin"



MICROZONE CONTAINING ARCHEOLOGICAL ELEMENTS

In the area of the Orastie Mountains, the Geto-Dacians created a masterpiece with important historic implications, consisting in a system of fortifications without equal anywhere in Europe, monumental constructions, human settlements.

“The Orastie Mountains Area”, subject of research and protection, is the most relevant area for the Dacian culture and civilization. By its size, density, complexity, originality, authenticity, it represents an area of authentic European culture and civilization, needing to be protected and preserved.

A common feature of all Geto-Dacian fortresses and fortified settlements is their location on high places, isolated promontories or peaks, with a good strategic position and hardly accessible, taking advantage of a good natural fortification.

Types of constructions existing in this area:

A. Military constructions / military architecture:

- fortifications with walls in cut blocks of stone
- guarding and supervision towers
- land waves

B. Religious constructions / religious architecture

- sanctuaries
- altars for sacrifices

C. Civilian constructions / civilian architecture

- dwellings
- premises for storage completing the dwellings
- handicraft buildings

D. Communal services

- water sewage and distribution systems, pipe networks, water tanks
- a coherent network of roads paved with river stone or large limestone slabs

Based on thorough studies, the entire archeologic area from the Orastie Mountains was delimited as a protected area, containing 30 micro-areas with archeological vestiges.

One of them, Sarmisegetuza - Regia Gradistea Muncelului, the capital-city of Dacia, represents a masterpiece of the human creative spirit, testimony of a disappeared civilization.

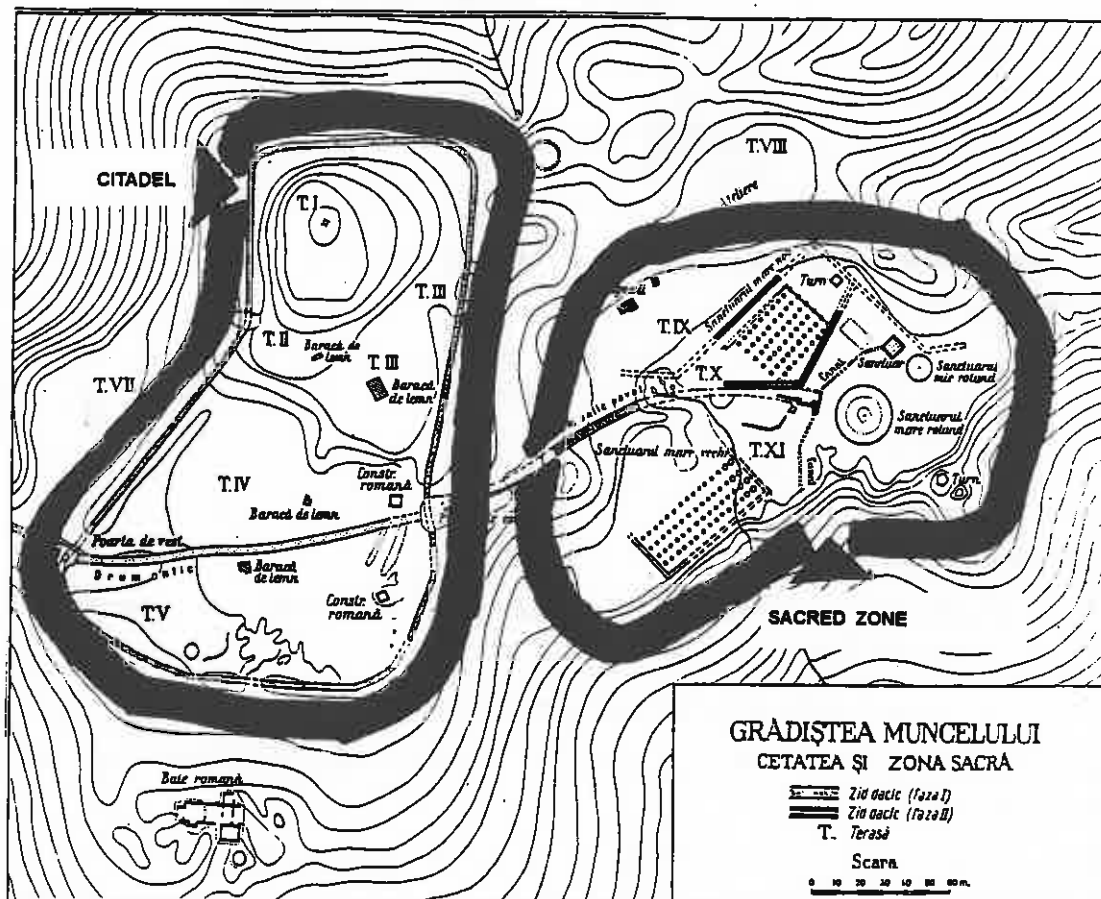
In this area, one can find the expression of the whole material and spiritual creation of the Dacians, characterized by vastity, diversity, originality, monumentality, execution, used materials, human effort, and important materials, illustrating a strong economic development, an organized community-system and centralized power, comparable to other major pre-historic civilizations of the humanity.

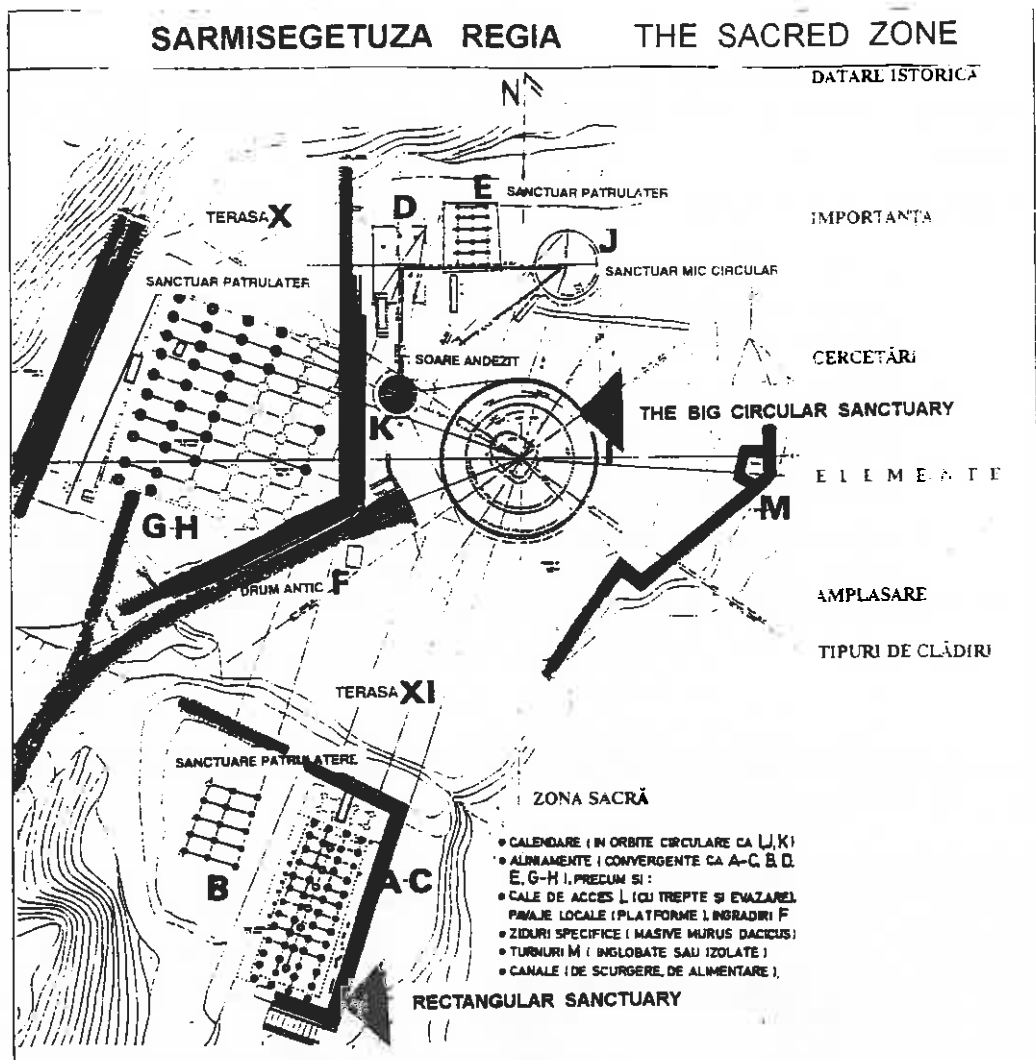
Within the urban planning specifications elaborated for Sarmisegetuza-Regia, the following sub-zones were delimited, with specific protection and development regulations:

1. Strong protection area:

- consists of an area of approximately 30,000 m² of the military refuge fortress (terrasses II - VIII), and the area of approximately 30,000 m² of the "sacred area" with 11 rectangular or circular sanctuaries (terrasses IX, X, XI)
- all building works are forbidden, with the exception of maintenance works, either for the built, or for the natural environment
- only conservation and/or preservation works can be carried out, under the direct supervision of the Department for Historic Monuments of the Ministry of Culture

GRADIȘTEA MUNCCELULUI THE CITADEL AND SACRED ZONE





2. Area protecting the values of historic context and the immediate neighbourhood

- consists of the surrounding lay-out of the archeologic vestiges, subordinated to them from aesthetic and functional points of view, completing their visual perception
- building interventions are forbidden

3. Protected landscape area:

- consists of the natural site which gives specificity and identity to the historic place
- all types of building interventions and deforestations are forbidden

On the Southern side of this area, on man-made terrasses, there are civilian constructions.

Due to the vastity of the dwelling vestiges, Sarmisegetuza Regia is considered a proto-urban settlement.

The greater interest of former research actions for the military and religious architecture neglected the civilian architecture, which had equal importance, but was less studied.

The further study of the other micro-areas and the elaboration of an integrated protection and development strategy of the whole area of Orastie Mountains, will result in:

- a more efficient management of the entire area
- legal measures and regulations for each area and the sub-areas
- the sustainable urban and regional development of the human settlements developed in the area, settlements which will be preserved
- elaborating a management plan for developing organized tourism
- a strategy and policies for the area in order to improve the living conditions, the protection of the environment, public transport and communications, along with the preservation of the historic vestiges.

NEW TECHNOLOGIES FOR THE WATER TREATMENT PLANT IN THE CITY OF SLOBOZIA

Design company: Institute for Studies, Design, and Communal Infrastructure -
PROED Plc. - Division for Transports, Traffic and Urban Sanitation
21, Tudor Arghezi Street, - Bucharest 2 - Tel: (1) 210 79 00

Author: Eng. Florin IACOBESCU

Investor: The Local Council of the Municipality of Slobozia

Beneficiary: The Autonomous Company for Municipal Services - Slobozia

As of 1st January 1995 sewerage networks covered only 49,3% of the streets' network in the urban areas of Romania, while in rural areas sewerage was provided for only 0,6% of the streets' network.

A number of 216 municipalities, cities and towns have waste water treatment plants.

The processing capacity of the existing (public) waste water treatment stations is of 57,5m³/s, the mechanical and biological treatment facilities covering only 56% of the actual flow.

Most of the waste water treatment plants have small processing capacities, only 38% being over 0,1m³/s. Most of the urban waste water treatment plants are old and outdated, needing extension and new technologies.

The Municipality of Slobozia is the capital city of the Ialomita County, situated in the Baragan plain, on the right bank of the river Ialomita. The population of Slobozia consists of 55,000 inhabitants. Wide industrial sites specialised in foodstuff industry (edible oil, meat, milk products), textile and heavy industry.

The sewerage network of the city is organised in a divider system: rain waters are collected and evacuated over the flood protection walls, in the ditches for irrigation. Household and industrial waste waters are collected by the sewerage network and pumped to the waste-water treatment plant.

Most of the companies are discharging industrial waste-waters without any treatment, the quality indicators being over the maximum limits specified in the technical norms, thus generating a shock of pollutants and the perturbation of the technological process of the waste-water treatment plant, accompanied by the accentuated pollution of the emissary.

The waste-water treatment plant is situated in the South-eastern area of the city, close to the emissary - river Ialomita - and consists of two stages: mechanical and biological treatment of waste water, and one stage of mud treatment. The waste water flow is of 750 l/s, and the concentrations of the pollutants are of 330 mg/l BOD5 and 270 mg/l suspensions, exceeding the treatment capacity built in the 70's (able to treat 350 l/s in the mechanical stage and some 500 l/s in the biological stage), the efficiency of the actual treatment being only around 50-70%.

Taking into account the increase of the flow of waste waters, the increase of the concentration of pollutants and the conditions for the water which might be discharged in the emissary, in accordance with the requirements of the environmental protection authorities, action was taken in order to increase the capacity and to improve the technology of the waste water treatment plant.

The project was designed between 1988 and 1992 and is now being carried out. It consists of:

- extension and modernising of the mechanical stage of treatment by using grids with mechanical cleaning; a sand separator coupled with a grease separator (in a single construction) and increasing the capacity by realising a radial primary decanter with the diameter of 45m.
- expansion and modernising of the biological stage by using a basin with activated mud, a pneumatic aeration system generating very fine bubbles; the increase of performance of the secondary decanters and the augmentation of the capacity of the station for recirculating the activated mud.

It must be noted that the proposed system for pneumatic aeration is using the worldwide up-to date technologies:

- the air diffusion system allows for a transfer of 4 kgO₂/kWh, while the air turbofans are completely automated, functioning with variable flow depending on the quantity of dissolved O₂ from the basins with activated mud. The turbofans used are capable of a variable flow between 45% and 100% maintaining a constant energetic efficiency, despite the variable absorbed power.
- the extension and modernisation of the mud treatment line achieved by the introduction of 2 static radial mud concentrers having a diameter of 16 m, in order to reduce the humidity of the fermented mud; the extension of biogas storing capacity by realising a new 500 m³ gasometer; the extension of the drying platforms within the limits of the available area, and later the introduction of a mechanical dehydration using chemical conditioning with ferric chloride and lime and a press filter with plates.

As a result of this extension and the new technology, the waste-water treatment plant of Slobozia will be able to treat waste-water flows of $Q_{\text{day max.}}=750\text{l/s}$ ($Q_{\text{hour max.}}=900\text{l/s}$, $Q_{\text{hour min.}}=200\text{l/s}$) attaining an efficiency in the elimination of pollutants of 88% for the reduction of suspension and of 90% for the reduction of BOD₅.

In such conditions, the treated water will contain maximum 20mg/l and 18mg/l BOD₅, values which are within the acceptable limits for discharge in the emissary, thus observing the standards for protection of the environment.

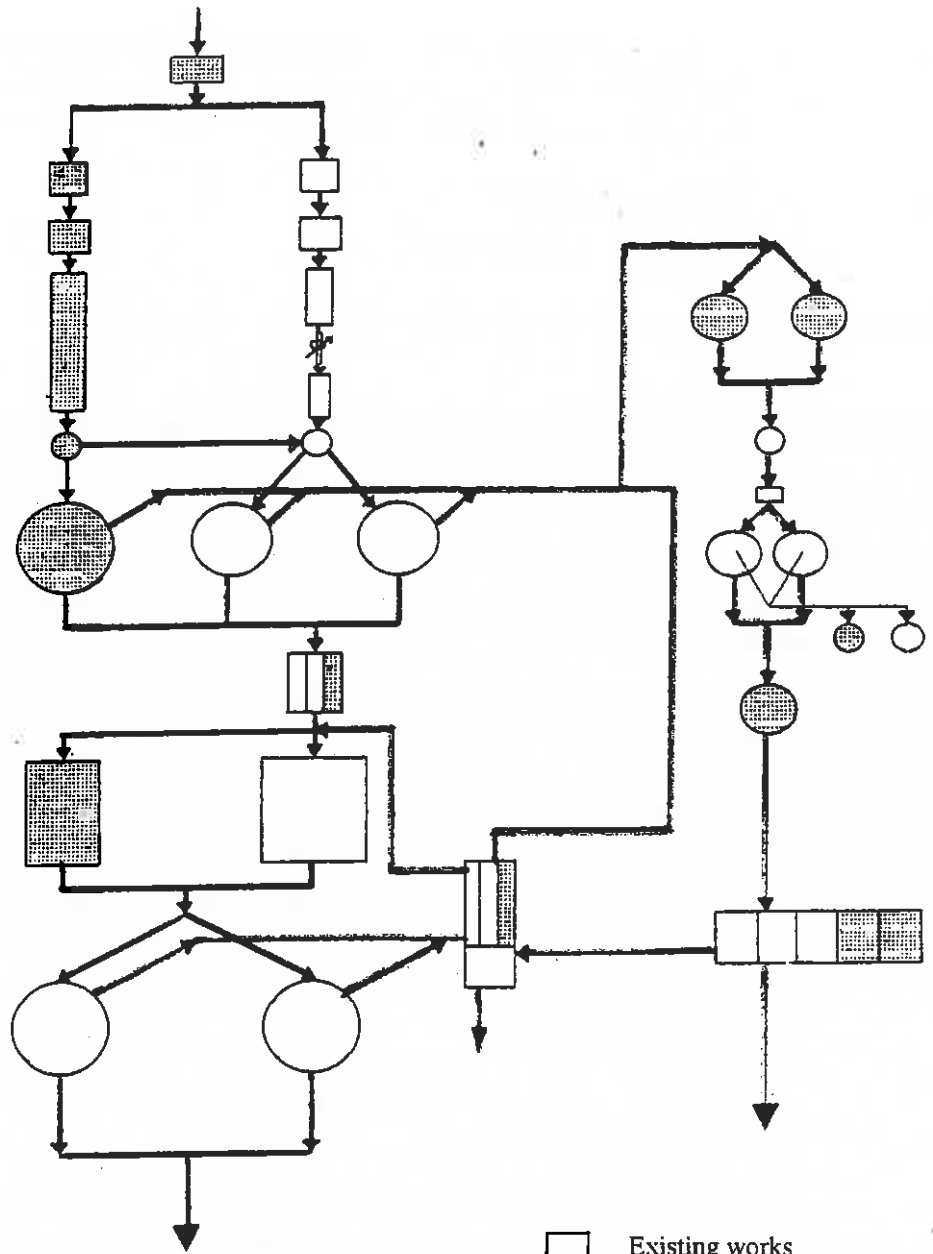
The resulting dehydrated mud is stored for 2 years in tanks, after which it can be mixed with the solid household waste or used in the agriculture.

Along with the extension and the altering of the technological scheme of the waste-water treatment plant from Slobozia, the automation and monitoring of the technological process were introduced. The use of sensors, information technologies

and specialised software will allow the real-time monitoring of the functioning of each object, the computer assisted management and the control of the technological process.

The investment described is now at the stage of preliminary reception of the works for retechnologising and the completion of the mechanical treatment stage. The second stage of the investment will focus on the new technologies and the extension of the biological treatment stage and the completion of the objects from the scheme for the treatment of mud. The second stage will be carried-out between 1995 and 1997, together with the development of installations for pre-treatment by the companies and the revision of the sewerage pumping stations form the sewerage network.

THE WATER TREATMENT PLANT IN SLOBOZIA



- Existing works
- ▒ Designed works
- Water flow diagram
- Sludge flow diagram
- Digestion gas flow diagram

ORGANIZING TRANSPORTATION IN THE CENTRAL AREA OF BUCHAREST

Design company: Institute for Studies, Design, and Communal Infrastructure -
PROED Plc. - Division for Transports, Traffic and Urban Sanitation
21, Tudor Arghezi Street, - Bucharest 2 - Tel: (1) 210 79 00

Authors: Eng. Eugen IONESCU
Eng. Mihai SUCEVEANU

Beneficiary: The Local Council of the Municipality of Bucharest

The study had the aim to organise the transportation in the central area of Bucharest, in order to increase traffic capacity, its fluency, establishing the necessary traffic management and control facilities and equipment for vehicles and pedestrians, the identification of new locations for parking spaces etc.

The way in which the traffic should be organised must take into account the existing pattern of the public transport network.

The subject of the study was the central area of the city, clearly delimited by the central ring, for this is where special problems of traffic flow occur, due to the important centres of interest and the actual conditions offered by the street network (configuration, number of traffic lanes on each sense, crossings, facilities etc.) which are minimal in comparison with the level of the demand.

The volume and the character of the traffic at the city scale, but mainly in its central area, derive from the following factors:

- the population of Bucharest, which was at the beginning of 1995 of 2,100,000 inhabitants;
- the attraction of the central area, according to economic, social and cultural activities of the city;
- the number and type of the vehicles involved in traffic and transports (in Bucharest the number of vehicles is approximately 180 cars/1000 inhabitants)

Unfortunately, finding a radical solution to the traffic problem will be possible only after a long-term, extremely difficult and delicate process. That is why we are forced to solve the present traffic problems by identifying an organizational system and not by urban re-structuring.

As Bucharest lays in a plain region and had a very slow evolution, its street network has a radial-concentric configuration. This type of network presents both advantages, such as:

- easily adaptable to the site;
- great possibilities of extension;

- easy and direct penetration up to the central area
- favouring perspectives
- ensuring nearly easy connections between quarters;

and disadvantages, too, as for example:

- congestion of the centre;
- very difficult to operate alterations.

In the central area of Bucharest, there is a conflict between the size and nature of traffic and the features of the inherited street pattern (configuration, orientation, number of traffic lanes per sense, crossings - as for their number, lay-out, signalling, traffic-lights equipment, nature of pavements etc.). This conflict is due to the historic development of the city and should be solved by the present urban planning.

During its evolution, and as a result of restructuring actions that occurred from time to time, not all the network of major streets was correctly dimensioned (from the point of view of the number of traffic lanes per sense) in order to respond to traffic development.

For this reason, the traffic is mostly concentrating on the largest avenues, which are N-S and E-W oriented. Consequently, they are over-loaded, numerous traffic congestions occurring in the central area.

The present system of transportation in the central area couldn't take maximum advantage of the potential offered by the existing street network up to now, resulting in low speed traffic, frequent congestions, and highly polluted environment.

Having as a starting point the level of loading on these roads and the main directions of traffic orientation, the study aimed at creating a system of traffic organizing in order to identify a system of one-way streets, doubling the large avenues, on both sides, thus helping their decongestion.

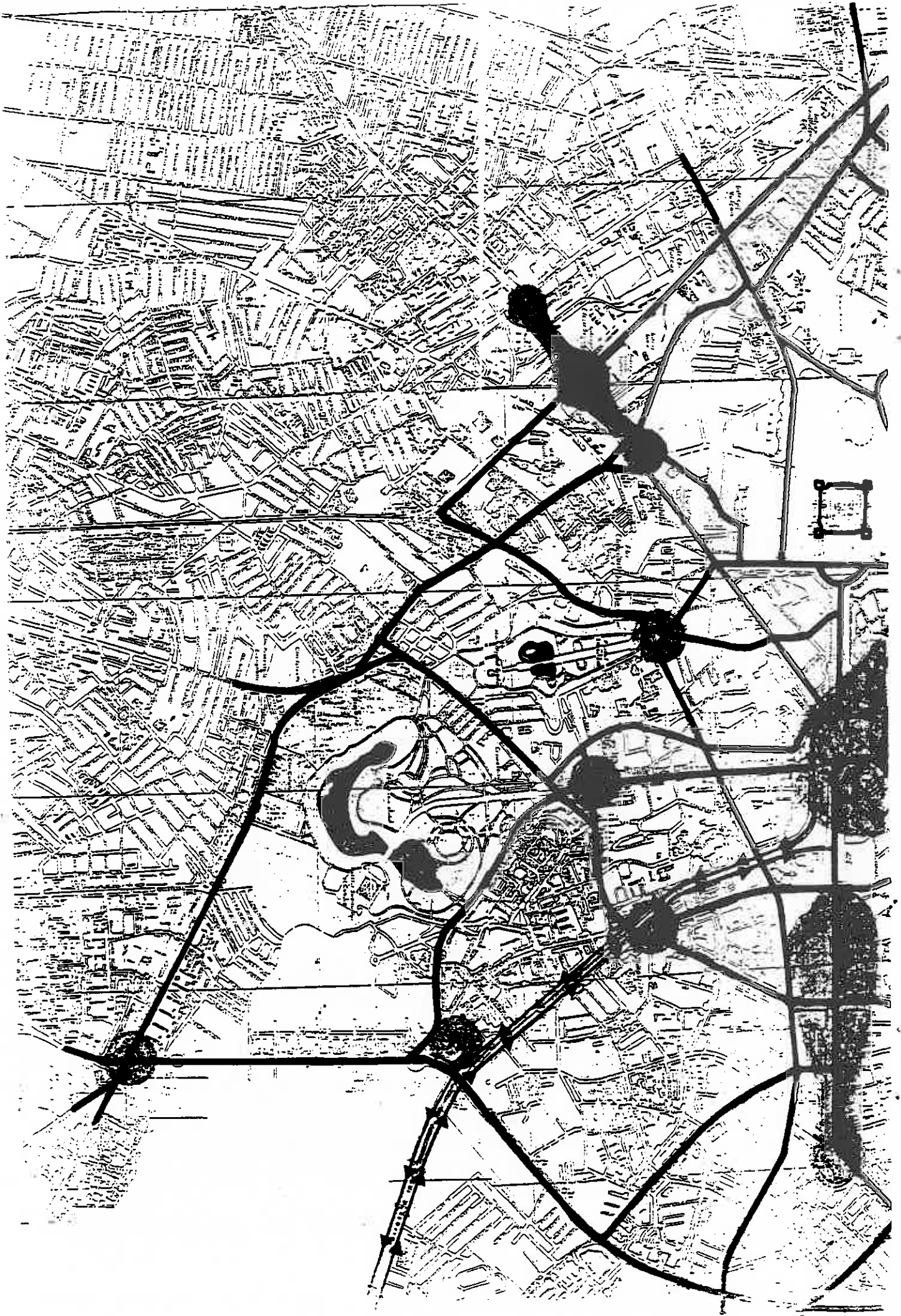
Throughout this system, a balanced loading of the entire street network is achieved in the central area, aiming at providing greater traffic fluency, important increase of traffic capacity, easy access to different public institutions and a greater number of parking spaces.

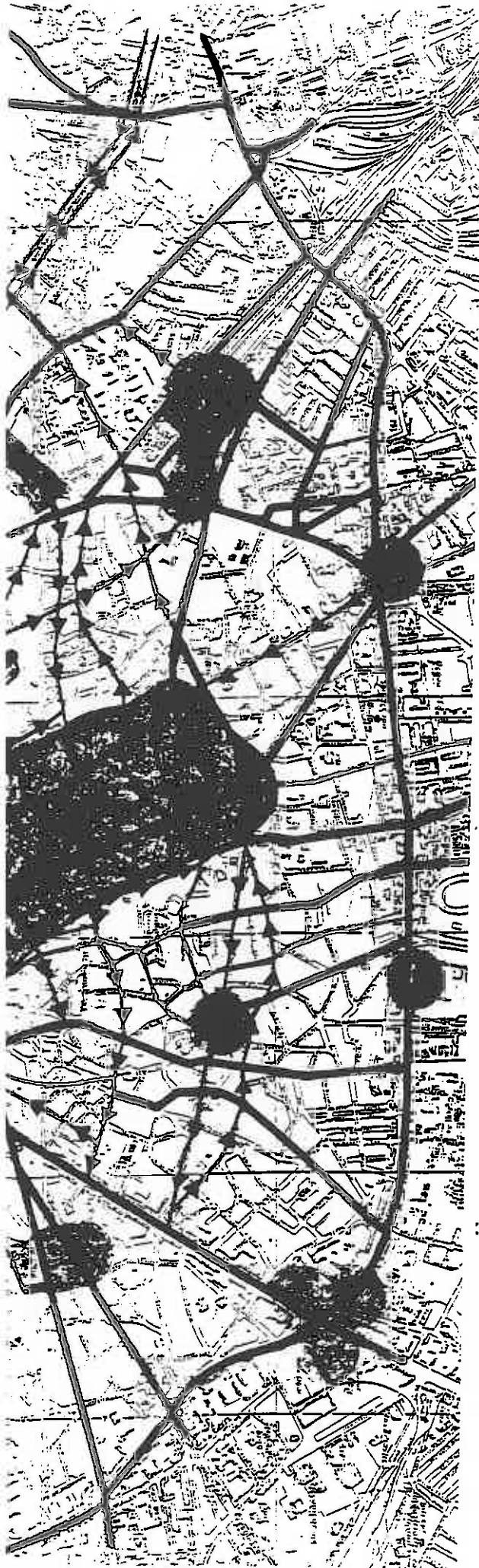
At the same time, the use of this system of traffic organizing results in reducing the conflicting points at crossings, rhythmicity of the public transportation, and, extremely important, environmental protection by eliminating the no load running.

This system of traffic organizing will be implemented in several stages, as a series of projects are carried-out aiming at rectifying the situation in certain points; the goal of this action is to prepare the city to take over the complex system of traffic organizing.

During the first stage, which started in 1994, the one-way traffic was adopted on Calea Victoriei, between the Place of Victory and the Place of United Nations, resulting in an increase of the traffic capacity of about 20%, decongesting the North-South axis, and permitting the location of new parking places.

The beginning of the second stage is planned for the end of 1995, when the other plans will be implemented.





CENTRAL AREA LIMITS



AREAS WITH SPECIAL TRAFFIC PROBLEMS



TWO-WAYS STREETS



ONE-WAY STREETS

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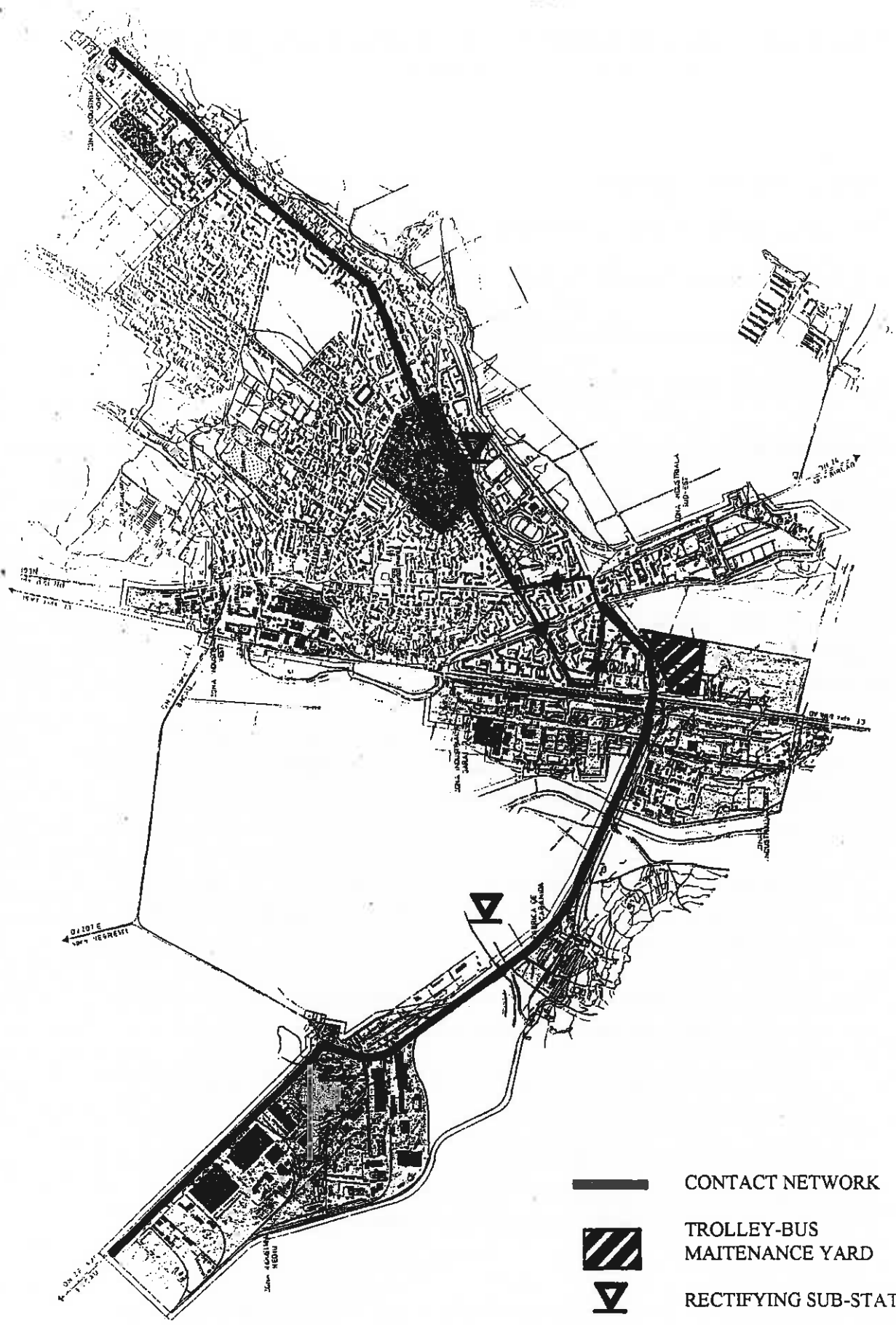
- increasing the number of public service users due to the improvement of its quality;
- creating new jobs for the maintenance and operation of the trolley-buses, for the rectifying sub-stations and the contact network;
- efficient use of electrical energy by employing modern systems for operating the electrical engines.




The area covered by the trolley-bus network and the location of the designed works are presented on the enclosed plan.

The city configuration and the trolley-bus network show that there is no need for secondary bus-networks, as the access to any trolley-bus stop requires maximum 10 minutes of walking.

The project presented above is a part of a larger study, elaborated for the 25 cities of more than 100,000 inhabitants in Romania, and also for some smaller cities.

Profitable conversions of the public transport have already been achieved in the municipalities of Targoviste and Medias (1994-1995); in 1996 similar works will be carried-out in the municipalities of Onesti, Bacau, Targu Jiu and Piatra Neamt.



-  CONTACT NETWORK
-  TROLLEY-BUS MAINTENANCE YARD
-  RECTIFYING SUB-STATION

REDUCING POLLUTION AND IMPROVING ENVIRONMENTAL QUALITY IN THE VALCEA COUNTY

Involved groups and organizations:

- The Agency for Environmental Protection - Ramnicu Valcea
6, Remus Belu Street, Tel: 050/71 58 59
- The Prefect's Office of the Valcea County
Ramnicu Valcea, Tudor Vladimirescu Street, Tel: 050/ 71 08 01
- Local Councils

At the beginning of the '90s, connected to the transition from a centralised economy to the market economy, essential changes occurred in the field of environmental protection policy, stressing the judicious blending between economic measures and improving life quality. Thus, the Agency for Environmental Protection adapted its own strategy to these goals, succeeding in carrying out (five years after its establishment) a programme of actions which resulted in improving the quality of water and air and the sanitation of localities.

Due to the correlated measures implemented by the Agency for Environmental Protection, the Prefect's Office, and the local councils, relevant improvements were achieved concerning environmental quality and the inhabitants' living conditions in the following fields:

- reducing pollutant emissions into the atmosphere due to the bad functioning of the technologic equipments and diminishing the number of damages or accidents;
- increasing the number of inhabitants connected to the drinking water distribution network, and improving the quality of this network;
- reducing the possibilities of polluting the rivers of the hydrographic network or the county;
- improving municipal sanitation by re-organizing the institutions involved in waste collecting, transport and stockage, and regulating this activity at the level of the county, by the Prefect's Office Order No. 45/1995.

The living environment of the communities placed in the neighbourhood of the industrial areas used to be deeply affected by pollution, and especially as for the water and the air.

Frequent technological accidents and the bad functioning of installations which weren't equipped well enough in order to retain toxic emissions or to treat the discharges, resulted in the emission of hydrochloric acid, ammonia, organic substances or powders. All these produced both discomfort and diseases to the population, and damages of large natural or cropping areas.

Many diseases, and especially the respiratory and the digestive ones, were facilitated by the vicious air or the drinking water used by the population who lives in the affected areas.

Five years after the beginning of the complex action programme for reducing and eliminating pollution in the "hot" areas, the living conditions of the population changed sensibly, their quality having a continuous ascending evolution.

The concentrations of hydrochloric acid and ammonia in the atmosphere diminished with over 40% during this period, and, at the same time, the number of concentrations exceeding the one year maximum admissible values diminished, too.

The quantity of used waters discharged by industrial or agro-zootechnical companies diminished, and their pollution regressed sensibly. Thus, the quality of the surface waters, and especially that of the Olt River, improved considerably.

The access of the population to the water sources increased due to the carried-out investments in water supply, both in urban and rural areas (Ramnicu Valcea, Brezoi, Balcesti, Calimanesti etc.).

The quality of services offered to the population concerning solid waste collecting, transport, and stockage, communal sanitation, maintenance of the green spaces, improved by re-organizing these activities at the local administration level.

The number of respiratory diseases recorded a decrease of about 15%.

The approach of the problem concerning the reduction of pollution and improving the environmental quality in the Valcea County, had as a background a new conceptual vision based on four main directions:

1. Changing the legislation, the regulations framework, and the standards, in order to permit control, inspection, efficient sanctioning of all the activities of production that might damage the environment or the living conditions in human settlements. This aspect, noticed not only at the local level, but at the national one, too, is reflected in the following actions, developed during the last five years, between 1990 and 1995:

- the obligation of all public or private companies to acquire environmental agreements or permits for their present activities or future investments;
- the issue of the Order No. 19/1992 concerning the preserving of the standards of quality in the fields of environmental protection and quality of living by all the producers - companies or physical persons;

- the issue of the Governmental Decision No. 437/92 concerning the import, the transport and the stockage of the solid waste or other materials;
- the issue of the Governmental Decisions No. 427/94 and No. 138/94 concerning the contraventions in the fields of environmental protection and of water management;
- the elaboration by the central government of the new law of environment and its forwarding for approval to the Parliament;
- the issue of the Order No. 4/95 by the Prefect's Office of the Valcea County, concerning communal sanitation;
- elaboration of the national strategy for environmental protection on short, medium, and long term.

2. Applying the "polluter pays" principle wherever contraventions to environmental protection occur. E.g. only in 1994, more than 250 sanctions of 57 millions lei had been applied by the Agency of Environmental Protection Ramnicu Valcea.

3. Including in the programme of economic re-structuring the great companies developing activities in the fields of chemical industry, extraction industry and wood-exploiting industry and those investments which could result in reducing pollution and improving the quality of living by using clean and environmentally sound technologies.

4. Adopting by the County Council of urban development plans in the Valcea County, under the conditions of consulting all the involved actors and the population.

Comparatively, the situation in 1993 and in 1994 was the following:

Polluting factor	1993			1994		
	total amount	values	concentration over the admissible limit	total amount	values	concentration over the admissible limit
hydrochloric acid	414	40:	9.66%	348	2	0.57%
ammonia	209	6	2.89%	174	0	0

We consider that, by the common effort of all the public institutions and local authorities in the Valcea County, an example of "best practice" was carried-out in the fields of reducing pollution and improving the environmental health, example which will be improved and adopted by other counties, too.