

An overview of Cluj County

Cluj County is located in the half of the **North West** of the country, being in the area of contact of three natural representative units: the Apuseni Mountains, the Somesan table-land and the Transylvanian Plain. Cluj County is on the twelfth position (2,8%) as the area among the Romanian territory. The Cluj' neighbors are: in the north-east are Maramures and Bistrita-Nasaud counties, in the east is the Mures county, in the South with Alba County and in the West with the Bihor and Salaj counties.



The administrative structure of the county consists in a network of **434 Human settlements/communities** that are grouped/assembled in **81 territorial-administrative units**. The County population is about **703.269** citizens, out of them there are over **67%** of citizenry living in the urban area. A central feature of the county population is the great ethnic diversity, along with Romanians; there are also Hungarians, Germans and Armenians.



Cluj's Economy

Cluj is one of the counties with a complex and varied economy with important percentage in the economy of Romania and the most important administrative and territorial center of Transylvania. The economical development of the county is based on:

- ❑ The natural resources,
- ❑ Geographical position,
- ❑ High ways and railway,
- ❑ Important reserves of high skilled manpower,
- ❑ Educational and scientific research centers.

The evolution of the in the period of time 2001-2003 was characterized by the following factors:

- The formalities for registering the companies were simplified (the process started in 1999), by creating a One stop Shop within the Unique Office of The Chamber of Commerce Cluj, which led to the registration of 2400 companies in 2001 and 3900 companies in 2002.
- The access of the business environment at the financing sources (bank credits, grants, public and private financing programs) was improved.
- The conditions for privatizing/buying actives for the state portfolio.

In the conditions created by the evolution of these factors, an accelerated raising of the number of private companies can be noticed in the private sector (for example, 8500 new companies between January 2000-December 2002).

The social capital of the private companies overtook the capital of the state companies, the proportion being **54,84% private capital** at the end of **2002** comparing to the **49,3%** in **2000**.

Institutional structure

The main judicial forms that are used in Romania are the ***Ltd.*** and ***Stock hold***, these two summing up **80%** from the total percent of the registered companies.

The main branches of activities that registered an increase in the number of companies are:

- **The services** area with an increase of 3596 companies
- **The intern trade** with an increase of 3175 companies
- **Production** with an increase of 1153 companies
- The companies with ***foreign capital*** had a constant increasing trend with around **30 companies per year**, but the value of the subscribed social capital had a fluctuant variation with an increase of **80 million USD in 2000** and **60 million USD in 2001** and a decrease of **60 million USD in 2002**. The evolution of the capital value can be due both to the migration of the companies in other counties or in Bucharest or to the fact that some foreign companies are established for other reasons than the productive one.

The value and structure of industrial production realized on branches in 01.01-31.04.2003 – million usd

The cumulate volume of industrial production on the first 4 months of the year 2003 comparing to the same period of the year 2002 was **4,7 %** higher.

The net nominal gain at the county level in April 2003 was 173 USD, higher with **12 %** comparing to the one realized in April 2002.

The exports made in the first quarter of 2003 were of 102,3 million USD, higher with **39,4 %** than the first trimester of 2002.

From the **exported products** we mention: wood, paper, clothing, knitwear, shoes, ceramic products, cars and equipment, electric equipment, furniture, optic instruments and equipment, cast iron products, steel and iron.

The unemployment rate in April 2003 was 9,5 % , with **2,3 % lower** than the same period of 2002.

The distribution of employment:

The total of active population in the county is 329.300 persons, of which employed population 298.400 persons, these being distributed in the following fields of activity:

- .. **Industry: 24,3 %**
- .. **Agriculture: 35,4 %**
- .. **Constructions: 5 %**
- .. **Commerce and services: 35,3 %**

THE LIST OF THE MAIN INVETORS IN THE CLUJ COUNTY

	COUNTRY	NUMBER OF COMPANIES	FOREIGN PARTICIPATION (USD)
1.	Hungary	565	114.486.571
2.	Luxembourg	20	38.119.813
3.	Italy	938	16.126.773
4.	Austria	232	9.896.591
5.	The Netherlands	539	7.404.954
6.	Germany	28	6.750.861
7.	USA	78	3.251.587
8.	France	154	3.038.155
9.	Canada	113	2.811.618
10	Cyprus	61	2.023.944
11	Other 70 countries	1.505	8.417.792
	TOTAL	4.233	212.328.659

Cluj County Council

The county council is the local public administration authority, built at the county level for the coordination of the activities of the town/commune councils, for the completion of the public services of county interest.

Cluj County Council was established through the Decision no.3 by 17 April 1992 on the basis of the Law 69/2001, and its activity is regulated through the Local Public Administration Law (Law 215/23.04.2001).

The main responsibilities of the County Council are enlisted in the art.104 of the Law 215/2001, and are the following:

- Embraces strategies, forecasts, and programmes for the economic-social development of the county or of certain areas of its territory on the basis of proposals received from the local councils, disposes, approves and pursues, in cooperation with the interested town/commune local public administration authorities, the necessary measures, including the financial ones for the attainment of these objectives;
- Coordinates the activities of the local councils of communes and towns, for the achievement of the public services of county interest;
- Administrates the county public and private domain;

- Decides upon the management start, leasing, or the renting out of the goods that are in the county's public property, or of the public services of county interest, in accordance with the law; decides upon the selling, leasing, or the renting out of the goods that are in the count's private property, in accordance with the law.
- Approves the economic-technical documentations for the investment projects of county interest, within the limits of law;
- Analyses proposals for the town/commune local public administration authorities in order to develop forecasts and economic-social development programmes or programmes for the restoring or the protection of the natural environment;

- Decides the cooperation or the association with other public administration authorities from Romania or from abroad, as well as the accession to national or international local public administration authorities associations, with the aim of promoting common interests;
- Decides, in accordance with the law, the cooperation or the association with legal entities from Romania or from abroad, with non-governmental organizations or with other social partners, with the aim of common financing and carrying out of some actions, works, services or projects of public county interest;
- Decides, in accordance with the law, the association with local councils, for the realization of certain objectives of common interest, for the achievement of which the two parties can establish together public institutions, companies or public services;

On the basis of the administrative autonomy principle, the County Council is elected for a 4-year mandate, with the task of guiding and coordinating the activities of the local councils in areas such as:

- **Urbanism,**
- **Territory setting,**
- **The realization of local budgets,**
- **Attracting of funding sources.**

Cluj County Council grants technical, judicial and any other kind of assistance to the local councils and their administrative apparatus, as well as to the public services of communes and towns.

Cluj County Council is composed of 37 counsellors, who, in the constitution meeting, elect, at their turn, **one president and two vice-presidents**, by means of secret vote.

The president *has the role of representing the Council in the relationships with the other public authorities, and with individuals and organizations from Romania or from abroad, as well as in justice and is accountable to the council for the smooth functioning of the county public administration. In the accomplishment of his duties, the President of the County Council will emit dispositions with a normative or individual character.*

The organizational structure of the Cluj County Council is comprised of:

- General Directorate for Public and Judicial Management;
- General Directorate for Economy;
- General Directorate for Town-Planning;

Directly subordinated to the President are:

- The President Counselors' Cabinet
- The Internal Audit Compartment
- The European Integration Department**
- The Information Technology Compartment

Directly subordinated to the Cluj County Council are:

- **4 Autonomous Public Companies:**
- ***Cultural Institutions*** (3 museums, 1 library, „Transilvania” State Philharmonic”, 1 creation Centre)
- **3 Private Companies owned by Cluj County Council** (“UNIVERS T” S.A., “TETAROM” S.A, “Agro Centre” S.A.)
- **6 Public services:**
- **10 Special Schools:**

Projects implemented by Cluj County Council

1. “The development of the Cluj-Western Economic Area” , project no. RO 0007.02.03.03

The object of the project: Building of the infrastructures necessary for the production of software and of other high technologies, services and non-polluting industries (electronics, telecommunications, automatizations, robotics, CAD, CAM, CAE, audiovisual, radio-tv studios, including the adjacent services).

Location of the Project: Region: **North-West**
County: **Cluj**

Total value of the project is **5.202.080,29** Euro

2. “Marketing Agro-Food Centre in the light industry field, Cluj” project no. RO 0108.03.04.05

The object of the project: The development of the regional agricultural production through facilitation of transport, storing and selling the agricultural products.

Results of the project

- the creation of 400 direct work places and 250 indirect work places;
- consolidation of the social-economic stability
- ensuring the conditions for a sustained economic growth in the region;
- the optimisation of the market circuits for the improvement of the local business environment
- the efficient utilization of the local agricultural potential
- improved promotion of the Romanian products and modern ways of promoting and selling the products

Total value of the project: **4.146.284,18 Euro**

Other applications

3. Project title: Rehabilitation of the water supply system in seven towns of the Somes-Tisa hydrographic basin

EC budget line or other source: SAMTID Programme for the development of the infrastructure in small and medium sized towns

Amount (EURO): 11.552.370,52

4. Project title: The Rehabilitation and modernization of the water supply and sewerage system for the Cluj area

EC budget line or other source: ISPA Programme- the application for the programme was approved on the 9th of April 2001 by the ISPA Management Committee of the European Commission at the European Community Headquarters in Brussels. A part of the budget is supported through the resources of RAJAC Cluj.

Amount (EURO): 61.179.000

5. Project title: The County Public Administration –getting close to professionalism

EC budget line or other source: PHARE 2000 – Economic and Social Cohesion

Human Resources Development in the context of industrial restructuring,
budget line RO-0007.02.01

Amount (EURO): 50.000

6. Project title: I want to be healthy!

EC budget line or other source: PHARE RO – “Support the national strategy to improve Roma conditions- health”

Amount (EURO): 50.508

Regional development, European integration

*Cluj county **strategic objective** is a social and economic development integrated within the North-West Development Region.*

The regional strategy is built around the principles of sustainable development – the requirements of social inclusion, equal chances and environment protection will be at the head of the economic growth policies and creation of new jobs.

EU expansion process is a major preoccupation for the local public authorities. To this effect, Cluj County Council will envisage:

- Creation of a project portfolio as a base for negotiations with the funding bodies to get ahead of programs implementation;
- The making of an inventory of all programs for which Cluj county is eligible and the identification of new funding resources for culture, health, environment, logistics;
- Knowledge at county level of the pre-accession PHARE, SAPARD, ISPA programs, the EU programs, EU policies and institutions:
 - **PHARE** pre-accession programs – 15 Million Euro,
 - **ISPA** – 60 Million Euro,
 - **SAPARD** – 30 Million Euro,
 - **LIFE** – environment protection – 5 Million Euro,
 - **Leonardo da Vinci, Socrates, Youth** – education – 5 Million Euro and **Culture 2000** – 1 Million Euro,
 - **Romanian Social Development Fund (FRDS)** – 2 Million Euro, through increased number of EU funded projects at Cluj county level;

- Providing technical assistance in view of funding application filling for the pre-accession, EU and government funded programs;
- Amplification and multiplication of the information process in behalf of Cluj county authorities and the public opinion, over the EU, it's structure and functioning, over the Romania's European integration benefits and costs, as well as over the measures taken by the Romanian authorities to this end;
- Raising awareness of Cluj county public opinion over the significance of the European integration, namely:
 - *a stable political and economic climate which would stimulate a sustainable development;*
 - *an increased stability of the economic environment;*
 - *better access to the capital and European investment markets, to new equipment and IT systems, to the management know-how and the organization techniques from developed countries;*
 - *the presence of Romanian companies in a single market of large dimensions, special lifted;*
 - *special opportunities given by the implementation of the Economic and Monetary Union;*

- Increased civic participation and management skills in communities through involvement in European projects and partnerships;
- Professional training perspectives and access to the European job market for the Romanian citizens;
- Encouragement of professional, cultural, educational exchanges with Member State communities;
- Development of foreign relations especially with countries with whom Romania shares the same values and interests on political, economic, strategic and cultural grounds (including endorsement of twinning projects) in order to promote Cluj county image;

Establishment of an integrated IT system

- development of the IT infrastructure which will contribute to less bureaucracy, more effective and increased quality public services. The integrated IT system will envisage increased safety in the communications between decision making factors and the possibility of communications in real time; decreased information transfer time about citizen's reaction toward law-makers; increased education in law matters and civic responsibility; more simple petition and their solving procedures.

(To this end, the County council provided in October 16th 2001, 21 new PC's, modems and local administration software to 21 communes, which will be able to process their own data and make e-mail link with the County Council. The action continued throughout 2002-2004 until all 80 administrative-territorial units have been linked with Cluj County Council through).

- Organizational capacity strengthening toward decreased hierarchy, more simple procedures and flexibility in action possibilities by taking over the population records service, the vehicle and driving license registration and their reorganization as a community service at County Council and local council's level. These will issue, based on the single-desk system, civil status certificates, ID cards, voter cards, standing election lists, driving licenses, vehicle registration certificates etc;
- Securing funds for local development – providing technical assistance for the filling of applications for PHARE, ISPA, SAPARD pre-accession programs, EU programs and the Romanian Social Development Fund program;
- Strengthening of the administrative and financial autonomy;

Economic and social development strategy implementation possibilities

Cluj County Council is performing in its daily activity a responsible management based on several main features:

- **Consultation** with the bodies which will have to enforce a decision (or which will be affected by a decision) before taking the decision;
- **Responsibility** over reaching the objectives;
- **Subsidiarity**;
- **Encouragement of the initiatives** based on “upstream” principles and guidelines and establishment of a standing monitoring and assessment system;
- **Encouragement of an increased flexibility and separation of administrative structures** both vertically (the information) as well as horizontally (action coordination);
- **Implementation of management techniques** according specific facts, concurrent with objectives and programs/projects based management;

Cluj County Council is responsible for:

- program coordination, fulfilling administrative, financial, technical tasks;
- program monitoring;
- establishment and development of innovative partnerships at local, regional, national and international level;
- regular analysis of strategy implementation – establishment of responsibilities for the programs;
- public information through the media about the content and the achievements of the present strategy;
- development of a marketing program for the strategy and the image of Cluj county in the country and abroad.