

# KÓS KÁROLY PLAN

**Economic development concept for the economic alignment of localities  
in Romania inhabited by Hungarians**

2017 APRIL

***"We must take account of our forces, we must organise our work, we must know the purpose we want to achieve"***

***(Károly Kós: Kiáltó szó -1921)***

## **FOREWORD**

**The present document arose following the adoption by the Hungarian Government of the decision according to which it wishes to initiate a support programme for economic revitalization for the Hungarian citizens of Romania.**

**We propose the use in several parts of the special funds approved by the Hungarian Government for the achievement of short-term and long purposes. On the one hand as amounts accessible in the form of grants, on the other hand in the form of loans with guaranteed/advantageous interest, which can enhance the economic impact of the amounts given in the case of the development of medium-sized and large enterprises, the strengthening of competitiveness, the character of its portance. One of the most important guarantees for the remaining of Romania's Hungarians on the native land, is access to the building of a competitive private sphere that can ensure safe survival, sustainable economic development and the foundation of the long-term job creation.**

**In this regard, we propose to step up the KK plan on the side lines of the given priorities. The detailed establishment of the action plans for the necessary measures is followed by the completion of the publication of funding projects, thus reaching the implementation of initiatives following which, and which will result in the consolidation of the Entrepreneurs of the Romanian Hungarians.**

**The final action plan established based on the guiding principles of this plan may be possible through collaboration between the Hungarian Government, the Democratic Union of Hungarians in Romania, the representatives of Hungarian historical churches in Transylvania, respectively the association of Hungarian farmers in Romania and the Hungarian Business Union of Romania. Further attention should be paid to the analysis of the corresponding legal frameworks and the regulatory environment during the preparation of the programme.**

**In the market economy after the change of regime, although one of the conditions of competitiveness is the capacity for cooperation, the culture of Western European countries of high-level cooperation is slowly formed in the former communist states, and thus also in Transylvania. The availability of cooperation of economic actors in agriculture, rural development, tourism or other areas has not been intensified either by access to clusters or networks financed by the European Union, due to the high degree of The complexity of excessive bureaucracy, foreign structures (which are not based on historical local traditions, on their forms of cooperation), i.e. for reasons often geared towards obtaining funding. For these reasons, the success of any package of economic development measures is found in identifying targeted strategic projects with multiplier and integration effect, i.e. exploiting existing resources, in horizontal cooperation Development, in the formation of associations.**

Given the natural treasures of Transylvania, in the interest of the accumulation of capital and the concentration of human resources, the ascent of the region, we offer for adoption a very well harmonised plan in the system of purposes and means, the Kos Károly plan.

<b>1. Introduction .....</b>	<b>5</b>
<b>2. Overview of Romanian areas inhabited by Hungarians</b>	
<b>and their main economic indicators.....</b>	<b>7</b>
<b>3. Action directions for economic development .....</b>	<b>12</b>
<b>3.1 PARTIUM .....</b>	<b>13</b>
<b>3.1.1 Presentation of the target area .....</b>	<b>13</b>
<b>3.1.2 Economic situation analysis.....</b>	<b>17</b>
<b>3.1.3 Necessary measures and programmes for economic revival,</b>	
<b>corresponding material resources analysis .....</b>	<b>20</b>
<b>3.2 BANAT AND SOUTH TRANSYLVANIA .....</b>	<b>21</b>
<b>3.2.1 Presentation of the target area .....</b>	<b>21</b>
<b>3.2.2 Economic situation analysis .....</b>	<b>26</b>
<b>3.2.3 Necessary measures and programmes for economic revival,</b>	
<b>corresponding material resources analysis .....</b>	<b>28</b>
<b>3.3 CENTRAL TRANSYLVANIA .....</b>	<b>32</b>
<b>3.3.1 Presentation of the target area .....</b>	<b>32</b>
<b>3.3.2 Economic situation analysis .....</b>	<b>36</b>
<b>3.3.3 Necessary measures and programmes for economic revival,</b>	
<b>corresponding material resources analysis.....</b>	<b>40</b>
<b>3.4 SZEKLERLAND .....</b>	<b>42</b>
<b>3.4.1 Presentation of the target area .....</b>	<b>42</b>

3.4.2 Economic situation analysis .....	48
3.4.3 Necessary measures and programmes for economic revival, corresponding material resources analysis .....	53
4. Summary.....	57

## 1. Introduction

*One of the most important conditions for the survival and existential security of Hungarians in Romania is the sustainable economic development and the long-term job creation. However, this requires an exhaustive economic-social analysis that, build from the ground, professionally weighs the economic potential of each area and, based on the situation analysis, forwards recommendations on the guidelines of a development strategy.*

*In this document, the experts involved in its elaboration have undertaken to map the infrastructure, geographical, economic, social and cultural situation of all 16 Hungarian inhabited counties in Romania and to make proposals on short-term action options.*

Given that the general name used by "Transylvania" does not cover all the areas inhabited by Hungarians in the 16 counties, but the aim of the plan is to formulate those opportunities for economic development that will be accessible to every Hungarian in Romania, we will analyse Romania's territory broken down by the following regions:



## 2. Overview of Hungarian inhabited areas in Romania

Transylvania is a geographic, historical, economic region in central Europe, in the eastern part of the Carpathian Basin, on the territory of Romania today. Today it can be considered autonomous only because of its historical traditions and its own culture. In a broader sense, by the name "Transylvania" we understand the whole western part of Romania, but not as a unified province, but only as the sum of 16 counties or three regions of development. This territory comprises internal Transylvania, Partium and the larger western part of Banat. In the eastern part of the internal Transylvania is the historic region of the Szeklerland. The largest proportion of Hungarians in Romania is found here. Its official language is Romanian.

The area of historical Transylvania is 57,000 km<sup>2</sup>, but together with Partium and Banat is larger than the area of Hungary today, more precisely 103,093 km<sup>2</sup>. Transylvania borders to the west with Hungary and Serbia, to the south with the Danube, Oltenia and Muntenia, to the east with Moldova, and to the north with Ukraine. The population counts over 7.7 million, of which more than 1.6 million live in Partium and almost 1.9 million in Banat.

On the topography, the lowest point is near Orşova (approx. 65 meters above sea level), the highest point is Moldoveanu peak in the Făgăraş Mountains (the Southern Carpathians), which is in the same time the highest peak of Romania (2,544 meters). In the West is the eastern border of the Pannonia Plain, and at

the feet of the Western Carpathians, the West Plateau, which is generally formed from the hills with altitude of 200-400m. Along the rivers that spring from the Western Carpathians, they make their way through the mountain lines, in the form of golf, forming related territories, especially in the Sălăj area.

Further to the east is the Apuseni area, which stretches from the Barcău Valley to the Mureş Valley. It consists of mountains of various formations, the highest (1,849 meters) and perhaps the most beautiful part being the limestone mountainous area of Bihor County. From Mureş Valley to the Danube, specifically to the Strait of Cazane, stretches the mountainous area of Banat, which consists of less high mountains (the highest point being 1,446 meters), but the limestone mountainous area like Semenic or Anina contains very nice areas.

In the eastern mountainous area of Transylvania is the basin of Transylvania, which in the tertiary age was covered by the sea (according to the rich reserves of salts and gases). The eastern part is made up of hills with heights between 700-1000 meters (Pre-Carpathians) and smaller pools, on the southern and western outskirts of larger pools (e.g. Făgăraş or Sibiu Basin) and riverbed colour (e.g. Mureş, Arieş, Someşul Mic). The interior can be divided into three regions, which, from north to South are the following: The Someş Valley, the Transylvanian Plain and the Târnave plateau. The Transylvanian basin is limited to the east and south by the Arch of the Carpathians, the semi-circle consisting of two different parts, the Oriental Carpathians and the Meridional Carpathians. Oriental Carpathians are formed from four different geographic lines. To the west (the most internal) are volcanic mountains (the mountains of Oaş, Gutâi, Țibleş, Călimani, Gurghiului and Harghitei) which are the youngest mountains of Transylvania. The second line, the oldest one consists of crystalline rocks (e.g. Maramureş Mountains, Rodnei (2,303 meters, Giurgeului). The two outer lines, respectively, the Carpathian curvature consist of sedimentary rocks (limestone, basalt). Here belong to, for example, the Hășmaşul Mare, the Ciucului Mountains, the Ceahlăul, the Vrancei Mountains, the Ciucaşul, the Bârsei mountains, etc... The outer part of the Oriental Carpathians belongs to Moldavia, respectively to the Muntenia. Between the volcanic and crystalline lines, there are wide pools: of Maramureş, Dornei, Gheorghieni, Ciucului and Brasov respectively. The Southern Carpathians stretch from the Prahova Valley to the valleys of the rivers Timiş, Cerna and Bistra, the predominantly formed mountains of crystalline rocks, whose alpine shape preserves the traces of the most recent ice age (ice valleys, steep slopes, glaciation lakes). Here belong to the Bucegi, the Făgăraş Mountains, the Parâng and Retezat-Godeanu, which in several points exceeds the height of 2,500 meters. This is where the coal-rich Petroşani basin is found.

The climate of Transylvania is temperate continental, but it also manifests oceanic and Mediterranean effects. The average annual temperature at the plain is 9-11 °c, in the plateau area 6-9 ° C, and the mountain between -2 and + 4 ° C. Precipitation distribution is formed according to the relief: at the Mountain 800 – 1400mm/year, at the plateau and in pools 600 – 800 mm, at the plain 500 – 600 mm.

The entire territory of Transylvania belongs to the Danube drainage basin, although most rivers flow into the Danube with the mediation of Tisa. Tisa to the north and the Danube to the south are state borders. The most important river is the Mureş, which divides the Transylvania basin into the north-east direction to the southwest. The most important rivers are in the north of Someş, in the south-east of Olt, in the

southwest of Bega and Timiș. Many Moldavian rivers and from Muntenia spring from Transylvania (e.g. Bistrița, Trotuș, Buzău, Prahova, Jiu). In Transylvania there are no larger lakes, but from the touristic point of view important are the Red Lake, Lake Saint Ana, Lake Ursu, or the ponds of Cefa Park, often remembered as the delta of the west of Romania. The Flora of Transylvania is characterized by forests. Once the western border area was covered by steppe vegetation, muddy deciduous forests, called Dumbravă.

As we approach the hills and mountains, the deciduous girdle begins. Here he first mastered the pedunculated oak, but the native is also the turkey oak and Hungarian oak. In the mountains the protagonists are the sessile. According to the geographical orientation and elevation the oak trees are replaced by Phagaceans (between 700 and 1,200 meters), the beech being the base tree.

The truly shiny girdle is the homeland of the pine. The pine is characteristic in the Southern Carpathians to 1,800 metres, and in the mountains of Maramureș and Rodnei up to 1,600 metres. In the subalpine girdle, over 1.600-1,800 meters are scattered pygmy pines, junipers that form impenetrable thickets. There are only mountain pastures, moss, lichens, and eventually the blocks of bare rocks follow.

The most valuable members of the animal kingdom live in a forest environment. In the flat countryside, small wild, rabbits, pheasants, partridges, and wild boar with larger bodies are common. In opposition, the large wild population of the high mountain, in addition to the deer, today there are still bears, wolves, and lynxes. The lynx is a protected animal. The noble beast of the Carpathian Mountains is the chamois. Many of the most valuable species in the bird world live here, with typical birds still the capercaillie and the hazel grouse, which are currently huntable. However, their relative, the grouse species, has recently been thinning, and now it only occurs in the higher mountains of the Eastern Carpathians. Strictly protected bird.

Most fish in the larger rivers and lakes are catfish, pike, and carp species, but in the Transylvanian rivers there is also the ling. The favourite of the sportsmen is the trout of the river rushes from the mountain. Many protected areas are to be found in Transylvania. They highlight national and natural parks. Of the oldest national parks and perhaps the most important is the Retezat NP spanning an area of 38,047 hectares. Other national parks are: Bicz Gorge-Ceahlăul Mare (6,575 ha), Călimani Mountains (24,041 ha) and Rodnei mountains (46,599 ha) in the Oriental Carpathians, Piatra Craiului (14,733 ha) in the Southern Carpathians, respectively the keys of Nerei-Beușnița (36,664 ha) of Western Carpathians.

Among the natural parks must be mentioned the Apuseni mountains (75,784 ha), Maramureș Mountains (48,850 ha), Cindrel Mountains (9873 ha), Geo Park of dinosaurs in the country of Hațeg (102,392 ha), Cefa (5002 ha) and the park formed in the floodplain basin of Mureș (17,166 HA).

From the administrative point of view of today's Transylvania is divided into 16 counties, which were framed in three major development regions (NUTS-II): Northeast (Bihar, Bistrița-Năsăud, Cluj, Maramureș, Satu Mare, Sălaj), West (Arad, Hunedoara, Caraș-Severin, Timiș) and Centre (Brasov, Alba, Harghita, Covasna, Mureș, Sibiu).

After Romanians, the most numerous are Hungarians, and compared to Romanians, they have distinct cultural and cultic units. The Hungarians are a majority in two of the 16 counties of Transylvania today: in



Harghita 84% and Covasna 73%. Other larger counties inhabited by Hungarians are: Mureş 39%, Satu Mare 33%, Sălaj 26%, Bihor 25%. According to the data of the last census of 2011, in Transylvania live 1,415,718 Hungarians, i.e. 19% of the population.

The largest and most important cities are the county seats, namely the municipalities, where more than one third of the population of the entire region reside.<sup>1</sup>



The most important cultural centre of historical and contemporary Transylvania is Cluj Napoca, where only 15% of the population is Hungarian (49,565 persons). Over 600 thousand Sass and Swabians almost disappeared today (their number being today of 30,000 people), consisting of a significant community only in one city or two (several hundred people), for example in Sibiu, Brasov or Timisoara. The Roma population is the only ethnic group whose population has grown permanently over the past two decades, with a ratio of 4.5% according to the last census. Beyond these groups, to the coloration of the ethnic mosaic contributes also the Ruthenians, Slovenians, Serbs, Bulgarians, Czechs, Armenians, Jews, and so on.

The largest city of contemporary Transylvania is Cluj Napoca (according to data from 2011 (324,576 inhabitants, of which almost 50,000 Hungarians), being also the second city, as inhabitants, in Romania. With the two theatres, the two operas, 11 higher education institutions and numerous high schools is an important cultural centre of the country. It was one of the seven fortified cities, based on which Transylvania acquired its German name (Siebenbürgen). Besides it is famous as the hometown of King Mátyás and lord Bocskay István, respectively as the cradle of the Unitarian confession. Among the many

<sup>1</sup> In the Hungarian taxonomy, the municipality is the city that exercises the authority of residence of the county, compared to the Romanian taxonomy indicating a locality of larger size and high degree of urbanization.

monuments of art, the most famous is the Church of Saint Michael, with the statue of Mátyás of sculptor Fadrusz János, the Reformed Church on the streets of Wolfs, respectively the castle of Bánffy.

*Oradea* (population 196,367, of which over 46,000 Hungarians) is the largest city in Partium. Although on the 2011 census, the Hungarian population was only 24%, compared with 27.5%. In 2002, it is a cultural centre of the Hungarians of Partium, a headquarters of many Hungarian organizations. "In the City of Saint Ladislau" the church built in honour of the King (1752-1780) and the statue are important tourist attractions. Recently renovated (completely) the fortress of Oradea, has become one of the most visited attractions of the city. Following the refurbishment of many Art Nouveau, eclectic and Baroque buildings in the city centre and the opening of Romania's most modern water park, Oradea has become a major tourist destination.

*Timișoara*, the capital of Banat, is, after Bucharest and Cluj Napoca, the third most populated city in Romania, with almost 320,000 inhabitants, of which almost 5% are Hungarians (15,565 people). The centre is an important tourist attraction for hikers. The Roman Catholic Cathedral of Saint George was built in Baroque style between 1736 and 1773. Next to it is the statue of Trinity. The Old Town hall, Piarist Gymnasium and Huniade Castle are found in the Freedom Square. The castle of Huniade was built by King Carol-Robert in 1318, being restructured later by Hunyadi Janos, then collapsed under the Siege of 1849. It was rebuilt in 1851. In the 22 halls of its wide museum, 50,000 objects are preserved, and in 23 halls dedicated to the sciences of nature, collections with 16,000 birds and 21,000 of butterflies are to be found. *Târgu Mureș* is the "capital" of the historic Szekler County. The population is the sixth largest in contemporary Transylvania. As for the Hungarians, it is in the first place, surpassing Cluj Napoca. Of the population of almost 135,000, almost 60,000 are Hungarians (44.1%). The medieval fortress is in the north of the city. The fortress church was built by the Franciscan monks in the 14TH century, during the Reformation most of the population crossed to the Protestant confession, thus the church ended up in the hand of the Reformed Church. After the Reformation is suffered numerous restructuring, enlargements. The Church of St. John the Baptist was built after counter-reformation. In the church built by the Jesuit monks, Ferenc Rakoczi II attended to the mass. The former Franciscan church tower is across the street. There are many interesting sights in the southern part of the centre. The two Art Nouveau buildings, the administrative palace and the Cultural Palace built during the tenure of Mayor Bernády György.

Other cities exceeding hundreds of thousands of inhabitants: Brasov (6.5% Hungarians), Sibiu (1.7% Hungarians), Arad (9.7% Hungarians), Baia Mare (10.3% Hungarians) and Satu Mare (35% Hungarian). Cities with population between 50,000 and 100,000: Alba Iulia (1.6 Hungarians), Reșița (2.1% Hungarians), Bistrița (5.1% Hungarians), Deva (7.2% Hungarians), Hunedoara (4.6% Hungarians), Zalău (15.5% Hungarian) and Sfântu Gheorghe where from the population of 56 thousand almost two Thirds are Hungarians.

After the Szekler County, the second inhabited region of Hungarians is Partium. And within it the western and northern part of Bihor County, namely Ierului Valley, respectively the southern and western part of Satu Mare County. Here the Hungarians resides predominantly in rural areas, but among the surrounding towns of Salonta (the hometown of Arany Janos), respectively in the small towns of Ierului Valley, Săcuieni, Valea lui Mihai and lives also many Hungarians.

Transylvania today is Romania's most developed region. The territory is rich in mineral resources, (coal,

iron ore, lead, manganese, gold, copper, gas, salt and sulphur), thus the metallurgy, chemical and textile industries are significant. The other raw material is wood. Among the most important activities are agriculture. Livestock breeding is especially characteristic of the mountains and the plateau, the vineyards are more significant on the Valea Ierului, in the Barcău Valley region, the Arad hills, in Sălaj and Aiud. Fruit production plays an important role in the lives of Transylvanians from the rural areas. It is cultivated mostly plums and apples, but on growing surfaces the pear, cherry and peach. The Palinka of Satu Mare, Zalău, Bihor or Bistrița are renowned throughout the world.

Among the Transylvanian airports, outstands the international airport of Cluj Napoca, which is the second busiest airport of Romania. Here they are accessible, according to the flight schedule, four domestic destinations and 42 external destinations. In 2016 over 1,880,000 people transited the airport.

Timisoara International Airport is the third busiest airport in Romania. In 2016 over 1,160,000 people transited the airport. There are currently 4 internal and 24 external destinations, operated by a total of eight airline companies.

Sibiu International Airport has been transited by over 366 thousand people. Currently, through four airlines flights are available to 10 European destinations.

Oradea International Airport was transited in 2016 by a total of 41,867 travellers, but thanks to international flights taking off from here the number of passengers can triple by the end of 2017, when three domestic destinations will be available and six externals through direct flights.

From the international airport of Satu Mare flights are available to Bucharest and London. During the year 2016, a total of 23,769 passengers transited the airport.

The airports of Baia Mare and Tîrgu Mureș are closed due to renovation works, which is why they do not currently receive any flights, and at Arad International Airport will activate two charter flights from Turkey during the summer season.

As far as public roads are concerned, there are two motorways in Transylvania, which were open only partially. The Transilvania Sud motorway (A1 Nădlac-Bucharest) connects to Nădlac with the M43 motorway, has completed a significant part between Nădlac, Arad, Timisoara and Lugoj, respectively between Deva and Sibiu. The section between Lugoj and Deva is currently working, but the last nine kilometres will be completed only in 2020.

From the Transilvania Nord motorway (A3) were in use 52 kilometres, between the Gilău of Cluj County and the Câmpia Turzii. The Bihor section of the motorway that will reach the counties of Bihor, Sălaj, Cluj and Mureș is completed over 50%, but the commissioning could take place only at the end of 2019. It is also under construction the expressway (A10) which will connect the two motorways, between Turda and Sebeș. The planned date of its opening is the end of 2018.

Transylvania is the region of Romania visited by most tourists, thanks to the multitude of medieval buildings, churches, art monuments and natural beauties. Hungarian citizens visit annually over 1.6 million times and spend 3.8 million days in Transylvania. Some of these happen, naturally, not for tourist

purposes. The number of Western European tourists is important. The following world patrimonies are to be found on the territory of Transylvania: Transylvanian villages with fortified churches, Dacian fortifications, the historic centre of Sighișoara, respectively the wooden churches of Maramureș.

Tourists can enjoy over 130 thousand accommodations in Transylvania. The largest accommodation capacities are in the counties of Brasov, Bihor, Mureș and Sibiu.

Over the past year, a total of 4.8 million guests have been accommodated, who spent 10.75 million nights' accommodation here. The 3.9 million domestic tourists spent 8.9 million nights in accommodation and the 900 thousand foreign tourists a total of 1.86 nights' accommodation in Transylvania. 36% of all foreign tourists arriving in Romania visited Transylvania. The favourite counties of foreign tourists are: Brasov, Sibiu, Timiș, Cluj, Mureș, Bihor and Harghita. Most foreign tourists visiting Transylvania, of course, arrive from Hungary.

The situation of education in Transylvania: According to data from 2013 of the National Institute of Statistics, the number of students from public education in Hungarian language was 166,917. Hungarian teaching is ensured in Transylvania in mixed schools and kindergartens or exclusively in Hungarian language. Diaspora education is a key issue, as many diaspora schools operate based on aid received from the Government of Hungary, respectively from outer-borders foundations.

The number of Hungarian higher education students in Transylvania is 10,000, in more than 100 bachelor specializations, and over 40 masters and numerous PhD students. The Hungarian higher education institutions are the Partium University of Oradea, the Hungarian University of Sapientia Sciences, with faculties in Cluj Napoca, Tîrgu Mureș, Miercurea Ciuc and Sfântu Gheorghe. Most students attend the Hungarian language sections of the Babeș-Bolyai University in Cluj Napoca, but Hungarian education also runs at the university's subsidiaries in the following towns: Satu Mare, Târgu Mureș, Sfântu Gheorghe, Târgu Secuiesc, Gheorgheni and Odorheiu Secuiesc. Hungarian teaching sections also runs at the State University of Oradea, at the Department of Preschool and General pedagogy, at the University of Medicine and Pharmacy, and Tîrgu Mureș Art University.

The most important cultural institutions in Transylvania: the Queen Maria Theatre in Oradea, the Hungarian State Theatre in Cluj Napoca, the National Theatre of Tîrgu Mureș, the Hungarian State Theatre in Timisoara, the Hungarian Opera in Cluj Napoca, the Northern Theatre in Satu Mare, the Kamaraszínház Theatre in Arad, the Tamasi Aron Theatre in Sfântu Gheorghe, TOMCSA Sandor Theatre in Odorheiu Secuiesc and the figure Studio Theatre in Gheorgheni.

More important cultural events: Hungarian days in Cluj Napoca, Festum Varadinum in Oradea, the days of St. Ladislau in Oradea, Partium days in Satu Mare, the Whirlpool of Tîrgu Mureș and the days of Saint George of Sfântu Gheorghe.

### **3. Strands of action for economic development**

## 3.1 PARTIUM

### 3.1.1 Presentation of the target area

Partium is the historical geographic territory located in the northwest part of Romania. The name originates from the medieval *dominus partium regni Hungariae* i.e. "The Lord of the parts of Hungary", and refers to the few counties in western Hungary, which after the breakup in three of Hungary reached the domination of the Transylvanian lords. So *Partium* is not part of historical Transylvania, but it is a self-standing territory, which from an administrative standpoint belonged alternately to Transylvania, Hungary, or the Habsburg Empire. According to contemporary Romanian interpretation, the Partium territory is regarded as part of Transylvania, being considered in the Crişana and Maramureş regions. The name of *Partium* is not used in the Romanian public administration, but the Hungarian population still assigns the name of the territory Partium nowadays. In today's Partium belong to the following Romanian counties, from north to south: Maramureş, Sălaj, Satu Mare, Bihor.

The total area of the four counties that make up the Partium region is 22.131 km<sup>2</sup>, and the total population exceeds 1.6 million people, of which 360,000 people are of Hungarian native language (22.5% of total population).

#### Hungarian population of Partium region

County	Number of Hungarian populations according to census data of 2011
Bihor	144736
Maramureş	34088
Satu mare	131456
Sălaj	51385
Total:	361665

The region borders on a stretch of 292 km with Hungary to the west and 324 km with Ukraine to the north. In the east it borders the counties Alba, Cluj, Bistriţa-Năsăud and on a small portion with Suceava, and to the south with Arad County.

On the surface of the region are in equal proportions the main forms of relief, therefore it comprises varied areas, from the plain to subalpine grassland.

The mountainous area of Maramureş and Satu mare belongs to the northern group of Eastern Carpathians, while the Bihor and Sălaj counties peaks are part of the Apuseni Mountains. In the mountains of Rodnei, whose highest peak is the Pietrosul Mare (2,303 meters) is specific to the glacial topography. The volcanic mountain line Oaş-Igriş-Gutâi-Țibleş contains many underground resources. The snow layer on the ski

slopes of the Rodnei and Gutâi Mountains lasts up to 120 days a year. The Maramureş Mountains are covered by extensive deciduous and pine forests. This part of the Oriental Carpathians also hides a few caves, which have great attractiveness.

The Bihor and Piatra Craiului mountain areas have significant tourist potential, as there are many karst formations here. More specifically, over 1,000 caves and over 20 larger or smaller straits and gorges. Among the caves, the most important are the Bears Cave of Chişcău, the Meziad Cave, the Farcu Cave, the Cave of Vadu Crişului, respectively the Unguru Mare cave in Şuncuiuş, which constitutes the first spelunking network in Romania. But in addition to this there are the Fortresses of Ponorului (the highest entry of the cave in Romania, 74 meters and one of the most extensive karst formations), the glacier cave from the Living Fire, the fortress of Rădesei, etc. Between the straits and the more important gorges are the Galbina, the Gorges of the Warm Someş, the Gorges of Crişul Repede, etc. In addition, on the ski slopes of the resorts of Stâna de Vale and Vârtop ski season lasts 3.5-4 months. In addition to the high and medium mountains, there are still smaller mountains, i.e. high hills of hard rock (so-called masks), which are spectacular landscapes.

A quarter of the surface is covered by mountains, 16% of pools, 28% of hills and 31% of plains.

The climate in Partium is moderate and mountainous, respectively. In areas at low altitudes the climate is like the north of the Panonic plain, i.e. the annual average temperature is 9-10 degrees Celsius at the hill, 6-9 degrees Celsius in the sub-mountainous areas and pools, while in mountainous areas of 0-6 degrees Celsius, which varies according to altitude.

The amount of precipitation at the plain is about 600/mm/year, at the hill of 700-900 mm/year, and at the mountain of 1000-1400 mm/year, quantity thanks to which the snow layer is suitable for the sketch for 120 days.

From a hydrological point of view, Partium belongs to the drainage basins of Criş, Someş and Tisa. Essentially, every river flowing west flows into Tisa, from north to South are the following: Vişeu, Iza, Tur, Someş, Crasna, Ier, Barcău, Crişul Repede and Crişul Alb, and their tributaries. Some rivers, on certain portions, are suitable for water sports, such as rafting, kayaking or canoeing.

In the region we can find some natural and artificial lakes, which have an important role not only in hydrological regulation or water supply, but also in tourism. Among them, the most important are the ponds of the Cefa Natural Park, the ponds in Tămaşda, the accumulation lakes of Andrid, Vârşoţ, Tileagd, Lugaşu or Călineşti-Oaş.

Among the natural lakes, the most important are the glacier ones of the Rodnei mountains, and the salty lakes of the northern Maramureş basin, such as Ocna Şugătag.

We must remember the springs of mineral and thermal water, in which the region is very rich. Like the Panonic Plains, and in the Partium we can find at every step the thermal waters, due to which many the spa resorts of national or international importance have been built here. Of these, the most important are Baile Felix and 1 May in the vicinity of the Oradea. Most mineral water springs are in the counties of Satu Mare and Maramureş, in the volcanic mountains of the Oaş, Igriş and Ţibleş.

Flora and fauna, respectively soils, are mostly established by the climate and the morpho-hydrological context. Thus, the plains are characteristic of the forestry steppe, which formed on chernozems. On these surfaces we can find very small spots of forest, because it is the highest quality soil that guarantees high production. Most of the Hungarian population in Partium lives on the plains, and in the countryside, resulting in thanks to the appropriate qualitative and climate soils, agriculture can be one of the most important starting points. But production and storage structures are less competitive; the properties are small; the capacities of the processing industry are obsolete. An intensive production activity is only possible through the establishment of farms of sustainable size and technology. Good starting points in this region, in addition to agriculture, can be represented by agritourism, and in certain localities of wine tourism.

In the regions of lower hills are characteristic deciduous forests, and in the highest of deciduous and fagaceae, here being forestry clay and other brownish soils. These surfaces are excellent for pomiculture. The brandy's of Sălaj, Satu Mare and Bihor that are being distilled here, are famous throughout the world.

In the mountains are beech, beech and coniferous forests, and over 1,000 to 1,200 meters are characteristic exclusively of coniferous forests. In the mountains over 1,600 metres we find subalpine girdle, and in the Rodnei Mountains over 1800 metres alpine pasture.

Partium is rich in protected areas. The largest and most important protected area is the Rodnei Mountains National Park (46,400 ha), the natural parks of the Maramureş Mountains (148,850 ha) and the Apuseni Mountains (75,784 ha). In addition, there are 109 protected areas in the region, of which 60 in Bihor, 33 in Maramureş, 10 in the Sălaj area and six in Satu Mare. The total area of these protected areas, including Natura 2000 protected areas, exceeds 6,600 hectares.

According to the data of the most recent census of 2011, in the four counties of Partium live 1,673,505 people, of whom almost 22% (approx. 360,000) are Hungarians. The urban population represents 48% of the total and the rural 52%.

There is a total of 39 cities in the region, nine of which are municipalities. The largest and most important are the county seats, which sums up over a quarter of the region's population. The largest city in Partium is Oradea, which has almost 200,000 inhabitants, one quarter of which are Hungarians. There is Baia Mare with over 115,000 inhabitants (14% Hungarians), and Satu Mare where in the last two decades the number of inhabitants has declined continuously, and thus the old county seat with 130,000 inhabitants, today has no longer even 100,000. Based on the census data of 2011 exceeded the psychological threshold, since 102,000 people were registered. It is followed by the seats of Sălaj County and Zalău, where, of the 55,000 inhabitants today, 9,000 are Hungarians. In the towns of Carei and Salonta the Hungarian community counts almost 10,000 people.

52% of the Partium population lives in rural areas. The rural population focuses on 293 municipalities, which belong to 1,222 villages. Of the nearly 300 communes, 25 have a population of more than 5,000 people, and most of them are found in Bihor, by the number of 9.

The distribution of Hungarian inhabitants in the region is rather uneven. The Partium feature is that in addition to the compact countryside, there are localities where the proportion of Hungarians varies between 20% and 50%, but it also finds the so-called urban and rural diaspora. The compact countryside is the middle and lower part of Bihor County, in the Valley of Mihai and the Barcău Valley, the hills area of Oradea.

In Satu Mare County Hungarians are a majority in two areas of the western County near the Hungarian-Romanian border. And in the eastern part of Sălaj County are areas where more than half of the population of the settlements are Hungarian.

In Bihor County, 24 local public administrations have Hungarian mayors, of which four towns (Salonta, Marghita, Valea lui Mihai, respectively Săcueni) and 20 villages. In addition to this there are nine local public administrations where the proportion of Hungarians varies between 10% and 25%, where the vice-mayors are Hungarians.

In Satu Mare 22 local public administrations have Hungarian mayors, from which it is important to mention Satu Mare, where from the nearly 100,000 inhabitants 35% are Hungarians, respectively, where in the population of 20,181 there are 12,119 (60.1%) Hungarians. In addition, there are seven local administrations with Hungarian vice-mayors.

In the county of Sălaj Hungarian mayors lead 14 municipalities and a city (Cehul Silvaniei) and four other local administrations where the Hungarian community has vice-mayors. In Maramureş County, a single public administration has Hungarian mayor and five other vice-mayors, including Baia Mare (where today the proportion of the Hungarian population does not reach 15%) and Baia Sprie, where slightly over a quarter of the population of about 16,000 people, are Hungarians. So, in Partium 62 local administrations have Hungarian mayors and 25 other vice-mayors.

Almost every settlement where the percentage of Hungarian inhabitants reaches 15% or exceeds a thousand, there is elementary education in the Hungarian language. Students with teaching in Hungarian or mixed languages are mostly concentrated in cities. If Hungarian students want to continue to study in Hungarian after the 8-th grade, they find at the worst case at 40-50 km of school with teaching in Hungarian. If they want to study certain specializations, then it is possible to study just 70-80 km away, in the seats of the counties.

The largest educational institutions with teaching in Hungarian are the theoretical lyceum of Ady Endre, the Roman Catholic gymnasium Saint Ladislau, the reformed Gymnasium Lórántffy Zsuzsanna in Oradea, Kölcsey Ferenc High School, reformed High School, Theological Lyceum Roman Catholic Hám János from Satu Mare, Arany Janos High School in Salonta, Petőfi Sandor High School in Săcueni, etc.

As far as higher education is concerned, we must remember the following institutions:

- Christian Partium University of Oradea (where runs three faculties)
- Branches of Satu Mare of Babeş-Bolyai University of Sciences, Babeş Bolyai (Faculties of Psychology and Linguistics)



The largest university in Partium is the University of Oradea, where, at 15 different faculties including music and art, architecture, law, geography-tourism, sports, electronic engineering, energy, industrial management, history, International relationships, political science, communication, linguistics, pharmacy, medicine, environmental protection, economics, social sciences and Orthodox theology, bachelor classes can be followed at the countless caters of faculties. Here there is only one specialization in Hungarian, Faculty of Pedagogy, for the preparation of educators and teachers. The University of Oradea also operates a doctoral school, where the title of Doctor can be obtained in 11 different fields.

In the medium-and long-term development strategies of Bihor and Maramureş counties an important role is played by the development of tourism. The uniqueness of Partium consists not only in the fact that it has varied topography, but also in the existence of many forms of tourism, plus it is one of the cradles of Hungarian culture. The three most important branches of tourism in the area are spa tourism, which is especially specific to Băile Felix, since it is the largest spa resort, with almost 7,000 places to stay; Historical and cultural tourism, particularly in the large cities, especially Oradea, thanks to its almost millennial history; and, active, mountainous tourism due to the expanded, glacier and volcanic karstic topography. Between the mountains, the Rodnei Mountains, Maramureş Mountains, Piatra Craiului and the Bihorului Mountains have significant tourist potential. In the mountains of Bihor that are part of the Apuseni massif where we find countless karst formations. Specifically, over 1,000 caves and over 20 straits and gorges. In addition, on the ski slopes of Baile 1 May and Vârtop ski season lasts 3.5-4 months. The ski slopes of Maramureş can be skied 100-120 days a year.

Oradea, which has almost 3,000 places of accommodation, is one of the most visited cities in Romania. On the tourist portal TripAdvisor ranks third in the top of the most popular itineraries in Romania. Except for the Oradea and Băile Felix, the accommodation capacities in Partium are generally weak. The number of tourists arriving in Bihor County for example, is much higher than the capacity of the region's accommodation, thus in these areas, which have a huge tourist potential, many opportunities are lurking. Because it is very close to the Hungarian-Romanian border, and because most tourists arrive here from Hungary, in the villages at the foothills of the Apuseni Mountains, where Hungarians live, can set up numerous accommodation possibilities, even in the form of countryside pensions or farms.

### 3.1.2 Economic situation analysis

In the north of the historic Partium region there are four counties (Bihor, Maramureş, Satu Mare and Sălaj) which are part of the North-Western Region of Romania. In addition to the four counties, to the North-West Region belongs Cluj and Bistriţa-Năsăud. Three larger urban concentrations can be found in the region, with populations exceeding one hundred thousand (metropolitan areas): Oradea, Baia Mare, and Satu Mare, while the population of localities around Zalău is slightly below a hundred thousand. Among the counties, Maramureş with mining towns owns the largest urban population (57.5%), while in Bihor the percentage is 49.6%, in Satu Mare of 45.6%, and in Sălaj of only 39.3%.

Specific to the region's economy, is that in the last 25 years almost completely disappeared the mining industries, which was the main branch especially in Maramureş, where the processing industry was based

on the processing of ores (Here you can find the largest non-ferrous metal deposits in Romania), but during the change of economic structure, mines were closed in the eastern County of Satu Mare (Turț, Tarna Mare), the coal mine in Șarmășag (Sălaj County), respectively the mines in the Criș basin, namely the coal mining in Borod and Derna, as well as the bauxite exploitation from Vadul Crișului. The sole branch of the mining industry is still running for construction materials and the mining-based processing industry, has disappeared in a few years. The involution also affected the production of crude oil and methane gas, which was limited to the north of Bihor County and the south of Satu Mare County, primarily in localities inhabited by Hungarians, and in 2004 the only refinery in the region was closed, the refinery of Suplacu de Barcău.

In the meantime, with the atrophy of mining, the northern Partium appeared mono-industry centres. In Maramureș, where the proportion of farmland is modest, especially the wood processing industry has gained terrain, such as in Sălsig, Ardușat, Satulung, Bistra, Vișeu de Jos, while Cernești and Boiu Mare became processing centres in food industry, Dumbrăvița remains the only metalliferous machining centre, and in Fărcașa on the border with Satu Mare, an assembly company of electronic components was established. Among the localities populated by the Hungarians in the mining area, in the agglomeration around Baia Mare the wood processing industry in Măgheruș, metallurgical processing industry in Baia Sprie, are characteristic, while in the west, in Seini the production and processing of building materials is more important.

In the regions inhabited by Hungarians in historical Maramureș, in the area of Sighetu-Marmatiei is primarily carried out agriculture on the riverside adjacent to the Tisa. Although agriculture is done on small surfaces, it is currently working 65,000 hectares, compared to the 85,000 hectares ten years ago, here being the largest number of employees in agriculture from the four counties, reaching 35%. In Maramureș, grain production has declined drastically: over the last decade the sowing area has decreased by more than 40%, potato production – which can be considered more significant in the mountainous area – stagnated, while fruit production has shown an increase of 30%. In the field of animal farming, the number of cattle and sheep has decreased noticeably, but the number of bee hives has significantly increased. In the field of tourism, in the region could be found the most spectacular development: The number of accommodations has doubled over a decade, and that thanks to dynamically developing agritourism, where the number of accommodations has raised five folds. Occupancy can be considered good, compared to neighbouring counties, by more than 30%.

In Satu Mare county, Moftinu Mare, Ardud and Foeni became centres of wood processing, while in the western plain, Berveni, Cămin and Vetiş became the place of investments in the food industry. In the new region, the light industry remained, in Sanislău was built a plastics company, and in the east of the county in Păulești and Valea Vinului, it has been established electronic and motor transport offices. From the point of view of employees in industrial branches, that of construction exceeds the average of the region, in this activating more than 8.3% of employees (compared to the region average of 5.5%). The Satu Mare plain is still regarded as the food pantry of the region: here, over the past ten years, the areas cultivated with cereals have risen by 25%, and even there is an increase in oleaginous cultivation, while the area cultivated with sugar beet was doubled over the same period. The agrarian industry in Satu Mare ensures the region's biggest contribution to GDP. In the cultivation of fruit, the traditional cultivation of

strawberries has decreased, the centre of which is the north of the county, in the Turț and Turulung area. From a tourist point of view the last decade presented a stagnation regarding the number of establishments and accommodation, and the employment indicator could not yet catch deep roots, even though the potential of the county, both in the plain and in the mountains, is significant.

In Sălaj County, between mono-industry micro-regions Bobota and Hereclean are the centres of wood processing, while the Meseșenii de Jos, Ileanda and Șarmășag of the food industry. In the last years Hida has become a citadel of the regional production of paints. The agricultural areas of Sălaj county have decreased significantly over the last decade with more than 30%, which has adversely affected the cultivation of cereals. However, the cultivation of vegetables and potatoes remained important. The number of accommodations has risen by 70%, but the employment indicator has fallen from 23% to the lowest percentage of the region, 15%. The new accommodations are mainly due to the momentum of agritourism, while the employment indicator shows that Sălaj county is still circumvented by the main international communications pathways. This situation can change if eventually the North Transylvanian Highway will be built, which will cross from east to West County.

The southernmost county of the North Partium, Bihor, presents a slightly different image than the other three counties. The county was in the years 1990 the citadel of clothing and footwear of the light industry in Lohn system, but after Romania's accession to the EU (2007), most Italian-owned enterprises relocated to the east in Ukraine or China. Their place was gradually taken over by enterprises with high added value, producing electronic assemblies and automotive electrical parts, which were established in the industrial parks of Oradea and Borș. The only larger company in the field of light industry, the German Ara footwear factory is present today in Bihor county, in Valea lui Mihai: dominating the labour market in a radius of 30 km around, while the electronics firms in Oradea carry workforce even from 30-35 km away in their assembly centres. After the abolition of traditional wood processing plants and furniture production in Oradea and Beiuș, the centre of this area moved to Tileagd and Borod, and to Lunca located in the Criș's basin. Marghita, who has traditions in the light industry, was joined by Aleșd, and even Ceica and Vașcău. Oșorhei, in the immediate vicinity of the Oradea, became the centre of the cardboard production, and the Finiș and Salonta citadels of plastic production. In addition to the strongest centre of the food industry in Romania, the Rieni-Ștei axis also emerged smaller areas of the field, such as Lugașu de Jos and Copăcei. Ashchileu and Țețchea remained one of the most important centres of building materials production. In terms of employment, Bihor county is the top of list in the field of services. Although the cultivated areas fell by 50,000 hectares in ten years, it still represents a quarter more than the total area of the second place, Satu Mare county. The area sown with cereals is very slightly lower, compared to the total of the other three counties (175 thousand hectares, compared to the total of 200 counties in the north). Areas cultivated with oilseeds have almost tripled over the last decade, but those cultivated with sugar beet have been reduced to almost a tenth. The number of accommodations fell by 20% in ten years, significantly decreased and their occupation at 36%, but so is the highest percentage of North Partium.

Regarding enterprises, Romania – and the region also, where the Romanian average entrepreneurial intent is similar – is still at the bottom of the list in terms of enterprises per thousand people, which currently varies around 21.3, while the EU average is 42.7, and Hungary's about 45. Regarding the family and individual businesses, the most active is the accommodations field (18.5/thousand inhabitants), then

Bihor (17.9), Maramureş (17.3) and Satu Mare (13.8). The number of family and individual businesses is higher in counties with lower urbanisation, because in urban areas the associations (primarily the form of limited liability companies) are favoured. The establishment of new business continues to be a dynamic trend: the number of newly established businesses in one year is approximately 12.6% higher than those existing at the beginning of that year, and about 7.9% of the business are terminated. An enterprise employs an average of 2.71 people, and 84% of them remain active after one year of running, 63% after three years, while the five-year indicator is 41%. Most of the newly established businesses are of commercial profile (38.9%), while industrial and production only 16.2%, and services of 13.2%. Of the four counties, Bihor has the highest GDP, which is 60% higher than that in Maramureş, more than twice as high as the one in Satu Mare (with 109%) And three times as much as the one in Sălaj (with 201%).

Labour productivity indicators are the largest in the case of Bihor county, followed by the people of Sălaj, Maramureş and Satu Mare. 20.1% of the working population is a graduate of higher education, 41.1% of baccalaureate studies, or continues its studies, and 38.6 have graduated from the elementary or vocational school. The proportions are significantly different among the unemployed, where the percentage of higher education graduates permanently decreases. In the region, at the end of 2015, only 6% of unemployed people graduated from higher education or schools or high-schools, a percentage which at the end of 2016 fell to 4%. The baccalaureate graduates accounted for 23% of the unemployed at the end of 2015, a percentage that improved within one year to 11.3% while the proportion of those with precarious education increased within one year from 71% to 84%. In northern Partium, as in the rest of Romania, the unemployment rate is constantly decreasing: according to data from December 2016 the average was 4.77%, below the national average.

### 3.1.3 Necessary measures and economic revival programs, corresponding material resources analysis

If we carefully analyse the economic potential of small and medium-sized enterprises and individual enterprises (industry, services, agriculture, tourism) operating in Partium, the following findings can be filtered:

- The numerical percentage of Hungarian-owned enterprises concurs with the numerical population percentage of the
- The range of activities of Hungarian-owned enterprises is distributed similarly to the proportion of activities in Romania

General issues:

- Lack of resources
- The sub-financing resulting from this
- Infrastructure and obsolete machinery park
- Unresolved or suspicious property relationships
- Uneven distribution of development in the region
- Generalized lack of labour, due to emigration workforce
- Lack of a unitary economic co-ordination

- The educational network is not connected with market demand
- Employment market inequality

Both in terms of agriculture and rural development, as well as in tourism or business already functioning and for Partium, the need for easily accessible capital injection is standing, i.e. credits for small businesses that can give momentum to certain economic actors, and, according to needs, cover the SME's own contribution to EU funding accessible in Romania.

It would be necessary to advertise again to people and entrepreneurs, the advantages of cooperative organisation that works well for 100 years, together with the availability of economic means with which they can start cooperatives and can ensure market activity, at least in the first 1-3 years of running.

In the case of the expansion of agricultural undertakings, it would be appropriate to set up a base or circle of owners, which would then acquire and subsequently lease the properties, while contributing to the selling of goods produced, and their processing. That would also substitute an integrator role in the life of the region.

It would be necessary to obtain ownership in both the composesorates and the associations of owners and entrepreneurs. In addition, it would be profitable to support bio-farming activities and to provide a financial framework to support investments in green energy use.

## 3.2. BANAT AND SOUTH TRANSYLVANIA

### 3.2.1 Presentation of the target area

The territory of Banat and Southern Transylvania contains the following counties belonging to the Western Development Region of Romania: Arad, Hunedoara, Caraş-Severin, Timiş. The region was established in 1998, with the task of harmonising development projects and regulating the use of European Union funds. These Romanian counties are also members of the euro-region Danube-Criş-Mureş-Tisa. Its surface is of 32.028 km<sup>2</sup>, the number of inhabitants 1,958,648, population density of 61 persons/km<sup>2</sup>. Ethnic composition: Romanians (86.3%), Hungarians (6.7%), Roma (2.5%), Germans (1.3%), others (3.1%).

The Western Development Region is in a border area, and the geographic location is defintory, given that three of the four counties of the region are placed along the country's border: Arad, Caraş-Severin and Timiş, the Danube flowing in a stretch that constitutes the border between Serbia and Romania. All these features cause the opening of the West Region by default, possibilities for establishing cross-border cooperation.

The territory of Banat and southern Transylvania borders on one hand with an EU member state, Hungary, and on the other hand with a candidate state to EU membership, Serbia, which provides the opportunity for cross-border cooperation that matches European goals, target integrated and coherent regional development, and seek common solutions for challenges, thus ensuring the consolidation and security of the EU's external borders.

On the territory of Banat and Southern Transylvania there are 323 territorial administrative units, of which 42 cities (12 municipalities) and 281 villages. We find smaller and medium-sized towns (with fewer than 20,000 inhabitants), and among the large towns is Timisoara (with 306,854 inhabitants in 2011) and Arad (with 164,728 inhabitants in 2011).

Arad and Timiș counties had the same development route, while Caraș-Severin's was like Hunedoara. In these two counties, there are many urban settlements that were raised to the rank of city until 1966, at a time when a massive industrialisation and urbanization was conducted in Romania. In the period after 1989 regional trends changed, urban and rural populations subtracting, according to census data.

#### Hungarian population of Banat and southern Transylvania

County	Number of Hungarian populations according to census data of 2011
Arad	37207
Hunedoara	15441
Caraș-Severin	2856
Timiș	33835
<b>Total:</b>	<b>89339</b>

In 2011 in Banat and South Transylvania 62.7% of the population lived in urban areas. Arad county is the least urbanized, 55.1% of the population lives in the city, in Caraș-Severin county 56%, in Timiș county 61.5%. Hunedoara is the most urbanized county of the country, with 76.6% of the population living in towns. As regards the proportion of inhabitants, Hunedoara county occupies the second spot after Bucharest, while Timiș places eighth, Caraș-Severin ninth and Arad place twelfth of the 42 counties.

Areas of Banat and southern Transylvania attract investors primarily due to its advantageous geographic location. It is the westernmost region of Romania, where the highways leading to Europe are easily accessible. Timisoara International Airport manages 50 races a day, which can be reached directly in many European capitals, and, through Vienna, Munich or Frankfurt at any point in the world.

The western region's road infrastructure is among the least developed of Romania. Also proved by the fact that at the beginning of 2011 it had a public road network of 10,428 kilometres, which are scarce, both in length and in density, with 32.6% on an area of 100 km<sup>2</sup>. The national average is 34.6%. Region West exceeds from this point of view only Regions Centre and Southeast.

Per counties, Hunedoara and Timiș benefits from the most developed road networks with 3.289 and 2.930 km, with a higher density than the national average (46.6%) or close to it (33.7%), speaking of built-in networks. The relatively low density is largely balanced by the portion of the motorway built in recent

years, which crosses the counties of Arad and Timiș throughout their length, namely the border crossing point inaugurated in 2015, which is the only one in Romania that is on a highway. The construction of the motorway in the western region is currently underway, in 2017, the opening of Lugoj-Deva, which is linked to the existing of the Deva-Sibiu motorway portion, is thus accessible to Transylvania and the Szeklerland on fast roads.

As for the railways, the region of Banat and southern Transylvania is the most developed region, having 17.6% of the national railway network, meaning a network of 1.894 km.

In the region there are three airports, Timisoara and Arad International airports, and in Caraș-Severin one that only receives domestic flights. In Deva, a landing runway is operated exclusively for recreational flights. Timisoara Airport is clearly the most important in the region, being the third largest in Romania, serving 25 million inhabitants, with routes not only to the largest and most distant cities of Romania, but also to the most important cities in Europe. Arad airport is just four kilometres from the city centre, close to important communication corridors: next to the European road E68 Budapest-Arad-Deva-Bucharest and near the Budapest-Curtici-Arad-Deva-Bucharest railways.

The quality of the workforce is also attractive for foreign investors. In this multi-ethnic, multicultural environment, an entrepreneurial spirit was formed favourable to foreign investment. The quality of the workforce is influenced by the fact that Arad and Timisoara are university towns: in nine universities here learn 35-40 thousand students annually. School benches are left by thousands of highly skilled specialists, with diplomas recognised throughout Europe. The positive approach to work, seriousness, confidence is characteristic here.

In 2015 in the West Region, entered 5.2 billion euros in foreign capital, which placed third in the national ranking. The dominant industrial branches in the region are: automotive industry, food industry, textile, heavy industry, metallurgy, metalworking, wood processing industry, chemical industry, winemaking, footwear making. The GDP for the year 2015 was 70.5 billion lei, in second place for economic development in Romania. This value is expected to be 78.5 billion lei in 2017.

There are significant differences in economic development between the region's counties. Timiș county is at its forefront providing 49% of the regional GDP of 2011 (the largest GDP per county after Bucharest), the last being Caraș-Severin county, which provides 11.6% of regional GDP. In 2011 the GDP of Timiș county was four times higher than that of Caraș-Severin county. Despite the inequalities between the two more developed counties Timiș and Arad, and the two less developed Hunedoara and Caraș-Severin, the latter two are also close to the national average, with a development rhythm exceeding that of the most Romanian counties. In terms of GDP, Hunedoara county is ranked 15th, and Caraș-Severin ranked 16th among the counties of Romania.

The economic development of the West Region after union accession, exemplifies the precarious implementation of EU cohesion policies in Romania. The two most developed counties of Timiș and Arad, were more successful in taking advantage of the new opportunities, compared to the two poorer, less developed counties, Caraș-Severin and Hunedoara, which remained far behind. The rich got richer, the poor's got poorer within a decade: this is the result of Romanian cohesion policy.

During our accession, regarding the entire export of Romania, the West Region placed second between the other ones, but lost this place, falling third and then fourth in 2009 and 2010. In 2011 the West Region ensured 14.6% of Romania's export. In 2011 the amount of export originating in the West Region increased compared to 2010, at the same time as the regional proportion.

Within the region, the difference is high between counties in the field of export too. The place occupied in the export market is due almost entirely to Timiș (which ensured 57,6% in 2014) and Arad (31.3%) counties. Caraș-Severin county contributes 3.4% and Hunedoara with 7.8% of the region's export activity.

In the European financial exercise 2007 -2013, two important programmes were carried out in the region, the Hungary-Romania cross-border cooperation program and the Serbia-Romania cross-border cooperation program.

The comprehensive aim of the Hungary-Romania cross-border cooperation programme is to bring the people, communities and economic actors of the border region closer to supporting the development of the region, through the cooperation involved. The aim of the program is to improve competitiveness, enhance the attractiveness of the border region through various interventions, contributing to integrated development on the NUTS III level. Arad and Timiș counties are participating in programs whose funds at their disposal exceeded 100 million euros in 2007-2013 period. While in Arad county, 15 projects were financed from this programme, the number of projects financed in Timiș was 41.

The border between Romania and Serbia is 546 km long, from which the Danube is a natural frontier on a length of 230 km. Serbia-Romania's IPA cross-border cooperation program targets the border regions of the two countries. They are carried out with pre-accession funding (IPA), giving both countries the opportunity to cooperate within them. The strategic aim of the program is to initiate balanced and economically sustainable development, with the help of cross-border projects, thanks to the joint efforts of the representatives of the two countries.

Arad county is located at the western border of Romania, has its seat in Arad (167,238 inhabitants), borders to the west with the Hungary's counties of Csongrád and Békés. It is part of the DCMT Euroregion. The county's seat is in Arad, and there are nine towns in the county: Ineu, Sebiș, Chișineu-Criș, Curtici, Nădlac, Pîncota, Sîntana, 68 communes, to which belongs a total of 283 villages. The total area of Arad County is 7,754 km<sup>2</sup>, i.e. 775,409 ha. To the west and northwest stretches a fertile plain, the eastern part of the Great Southern Hungarian plain, almost 100 metres above sea level. To the east the plain rises on the alluvial area of Mureș and Criș rivers. This territory is crossed, apart from the Criș, by several small rivers, such as the tributary of Black Criș, Teuz and the Cigher, tributary of White Criș. The mountainous area rises sharply on the edge of a fracture. The western, steep part of the Zărand mountains, is the so-called wine-growing area of Arad vineyard. In 2015 Arad connected to the European Highway network, simultaneously with the border crossing point placed on the motorway at Nădlac, and thus it is easily accessible to any large city of Europe. According to census data from 2011, the county had 409,072 inhabitants, of which 343,163 Romanians, 37,067 Hungarians, 16,546 Gypsy, 4,444 Slovenians, 2,956 Germans, 1,295 Ukrainians, 875 Serbs, 557 Bulgari, 1,190 others and 979 of unknown nationality.



Together with Timiș county, Arad county is among the most developed areas in Romania. Due to its proximity of the border, namely the multicultural environment, an entrepreneurial spirit was created conducive to foreign investment. The quality of the workforce is largely influenced by the existence of two universities in Arad, where annually attend between five and six thousand Romanian and foreign students. Csiky Gergely High School is the only high-level educational institution with teaching in Hungarian, established in 1990 as the rightful survivor of the Hungarian Imperial High School and the former Hungarian Catholic High School. In this building the educational process takes place at elementary, gymnasium and high school level. The institution also belongs to the kindergarten Kincskereses, which responds to all needs, namely the school college, in which the students arriving from the county receive care, quality education.

Timiș County is Romania's largest county (with an area of 8,697 km<sup>2</sup>), the centre of the historical Banat region, located in the western half of the country, on the border with Serbia and Hungary. The topography in its western side is predominantly plain, and in the east, it rises gradually reaching the eastern boundary to find the Poiana Rusca mountains. The county residence is Timișoara (at the same time the centre of the West Development Region), the municipality is Lugoj, and the following towns are Buziaș, Ciacova, Deta, Făget, Dumtaia, Jimbolia, Recaș and Sânnicolau Mare. The population of Timiș county in 2016 was 742,886 persons, of which more than 450,000 live in urban environments. One-tenth of the county's population consists of national minorities, of which the Hungarian community is the largest, giving almost 6% of the total population. The traditional multi-ethnic Banat has used the creative power of national communities throughout history, and relations between nationalities today have an incentive effect for the economic development of the county, from an investment and commercial point of view. Timiș county, and Timisoara in particular, is a recognised international educational centre, where a diverse range of high school and university education institutions are available for the workforce training. In recent years these educational establishments are increasingly working together with economic actors to prepare appropriate training programmes. In addition, Timiș county has a developed road infrastructure, the motorway connecting the Hungarian highway network, crosses the entire county from east to west and Timisoara International Airport is the largest airport of the country's western part.

Caraș-Severin county is in the south-western part of Romania, on the territory of the historical Banat. It has an area of 8,514 km<sup>2</sup>, which accounts for 3.6% of the country's total, and is thus the third largest county in Romania. The north and northwest it borders the county of Timiș, to the east the counties of Hunedoara and Gorj, to the south-east Mehedinți county, and to the south, along the Danube, Serbia. The seat of the county is in Reșița, and in addition to the municipality of Caransebeș, has six towns (Bocșa, Oravița, Moldova Noi, Oțelul Roșu, Anina, and Baile Herculane), 69 communes and 287 villages. The population counts 328,047 people, but the Hungarians proportion is extremely low, with a total of 2,856 people. As for its topography, mountains are dominant, but we also find hills and plains. The mountainous area represents 65% of the county's surface, the highest being the Banat mountains, the Țarcului Mountains, the Godeanu Mountains and the Cerna Mountains. The altitude rises from west to east, and the highest point stands in the Godeanu mountains at 1,600-2,200 meters. The mountainous area is characterized by underground resources, which are connected to an acceptable infrastructure today.

The total area of Hunedoara county is 7,063 km<sup>2</sup>, which represents 3% of the total area of the country.

The population, in 2016 was 403,554 persons (74.61% living in the city; 25.39% in the countryside), of which the Hungarian population in 2011 was of 15,441 persons, i.e. 4% of the county's population. The county residence is in Deva, and the municipalities are Hunedoara, Petroșani, Orăștie, Brad, Lupeni, Vulcan. Hunedoara County is in the eastern part of Banat and southern Transylvania, with a predominantly mountainous relief (68%). As for the of the forested surface, it ranks the fourth in Romania, in its territory being located two national parks: the Retezat National Park and the Valea Jiului National Park, plus 41 reserves and natural monuments, respectively 21 Protected Areas Natura 2000. It is rich in mineral resources: coal, gold and silvery ore, pyrite, non-ferrous, bauxite, bentonite, dolomite, plaster, quartz, limestone, travertine, marble, carbon dioxide, and mineral and thermal waters equally. Hunedoara county (excluding the capital of Bucharest) is the most urbanized county of the country, with seven municipalities and six towns, a relatively extensive road and rail networks, crossed by national and European roads. The road and railway path of the fourth European corridor also crosses the county. The construction of the motorway Budapest-Szeged-Arad-Timisoara-Lugoj-Deva-Sibiu, albeit slowly, is advancing, and at the end of 2017 it will be finally available to drive on the motorway from Deva to Budapest, except for a section with a length of 50 km between Dobra and Dumbrava. In Hunedoara County there are 34 undergraduate educational institutions: high schools, vocational schools, and schools that provide post-secondary training, and two higher education institutions: The University of Petroșani and the Department of Hunedoara of the Faculty of Engineering of the University of Timisoara. In the education year 2014-2015 graduated 69,078 pupils, of which 4,427 bachelor and master's degrees. The centre of the teaching network in Hungarian is the theoretical high school Téglás Gábor in Deva, where, from kindergarten to baccalaureate, approximately 600 Hungarian pupils are study in their native language. Children are also studying in the St. Francis Foundation High School in Deva led by Father Bőjte Csaba. Hungarian language education is also carried out in the county in Hunedoara, Petroșani, Lupeni and Orăștie. Apart from the centre of Deva, the St. Francis Foundation manages child care centres at Petroșani and Orăștie.

### 3.2.2 Economic situation analysis

Arad is in the fifth place in the ranking of counties with newly established companies with foreign capital. The total number of companies in Arad county is 31,727, and the number of Hungarian's owner- and co-ownership is 283. The proximity of Arad county and municipality to Hungary and to the western border led to the establishment of an important industrial and commercial centre. In Arad, are operating industrial belts, industrial parks and free customs areas. The western industrial park which is currently fully occupied, was established in 1998 by the British Lucas Wiring Systems. The east industrial zone was established in 2001, with an area of 20 hectares, located on DN1. The north industrial area was established in 2004, with an area of 110 hectares and access to the outer ring of the Arad. The South Industrial Zone (Zădăreni) was established in 2004 on 150 hectares. Other industrial belts were established in Pecica, Sântana and Chișineu Criș. The dominant industrial branches in the county are the food, textile industry, the production of spare parts and car accessories. Arad is currently facing a lack of workforce, but despite the issue, it is still attractive, due to the proximity to the border, thus the import of raw material or the carriage of finished products is not a problem for the businesses.

Arad Airport has undergone significant renovation works, with the restructuring being carried out by a

private firm and expenditure incurred by the entity administering the airport, the Arad County Council, which must pay the work within three years, starting September 2016. In the meantime, with the investment, the airport's about 1,300 sqm, expanded to almost 4,200 sqm. The old airport was exclusively arranged for domestic arrivals, with departures being coordinated from the new structure, 700 sqm are available for cargo terminal (freight transport). In Arad county, agriculture runs at an expanded level, which is one of the defining branches of the county economy. The agricultural land is 511,562 ha, i.e. 65.97% of the total area, of which arable 348,881 ha, grassland 128,077 ha, meadows 25,482 ha, vineyards 3,605 ha and fruits 5,571 ha.

The economic indicators of Timiș county, focusing on the development of agricultural productivity, and on the job bidder industry, are systematically exceeding the national average, and most annual statistics show that, after Bucharest, Timiș county has the highest GDP per capita, being the richest county of the country. In Timiș county plain areas are characterized by fertile soils of good quality, while the hills areas ensure the surface for livestock breeding. Thanks to the hilly topography, namely the landscaping work carried out throughout history, Timiș county is suitable for investing in high-productivity agriculture. It has an agricultural area of 693,034 ha, of which arable 530,808 ha, orchards 8,500 ha and vineyards 3,800 ha.

70% of the Timiș county industry is represented by the processing, where we find food, chemical, textile, wood and metal processing. The development of the food industry can be put on the account of significant agricultural production, namely on massive investment, which accounts for 81.5% of the total funds. Other imported branches are that of winemaking and footwear manufacturing. Thanks to the varied industrial possibilities and highly skilled workforce, the percentage of foreign investment is particularly high in Timiș county. Of the 23 thousand companies registered at the present time, more than four thousand are beneficiaries of foreign investment. The total number of companies in Timiș county is 95,900, while the number of Hungarian-owned businesses is 245. The SME sector has caught a very strong development, thanks to entrepreneurship spirit and cross-border trade possibilities.

In recent years the services sector has been also placed on a development direction, which also benefits from strong local and governmental support. Many SME's and multinational business subsidiaries are suitable for providing services at national or regional level. In addition to this, due to the border proximity, trade is traditionally defining the county economy, whose potential is further increased by the recently put into use motorway section, linking the county to the European motorway network.

Caraș-Severin county was considered before 1990 as a citadel of Romanian ironworks, which was linked to significant mining activities, namely manufacturing. It also benefits from an important tradition and the railway and car industry. But all this went slowly bankrupt after the fall of communism, and the economic actors of the county barely run 1 billion euros and GDP per capita is below the national average. A part of the metal processing industry has been taken over and administered by companies with Russian capital, and auto-parts factories by those with Japanese capital. After the decline of the heavy industry, the average investments that were carried out in the field of energy production and tourism were invigorating. The most prominent sign of economic decline is perhaps the diminished entrepreneurship: according to official data in December last year, only 39 companies were registered in the county, a lot far behind the usual monthly average of 50. The economic development of the county is still obstructed by its geographic

location, namely its inclusion in the region of development No. 5 where the country's richest county, Timiș, enjoys a favourable position in many respects. In such conditions, investors bypass the county and thus unemployment increased to 4%. The western location of the county also represents an advantage, because the border proximity, namely the relatively developed communications network, can result in reduced transport costs. Of the total of 28,236 firms in Caraș-Severin, we know five companies that are Hungarian owned or co-owned. In the field of agriculture, livestock growth has come to the fore, and within it the most performant is the meat processing industry. The county had before 1989 a significant timber industry, of which there were a few poorly performing lumbers processing units left. The agricultural area is 397,310 ha, of which arable 127,265 ha, grassland 183,127 ha, meadows 74,364 ha, vii 771 ha and orchards 2,329 ha.

With regard to Hunedoara county, perhaps the most important aspect is that the continuation to Brasov of the construction of the Budapest-Sibiu motorway opens important economic opportunities for Southern Transylvania, because the "traditional" route Szeklerland-Budapest, which was passing through Cluj Napoca and Oradea, will soon benefit from a southern Transylvanian and Banat alternative: the Brasov-Deva-Timisoara-Arad-Szeged-Budapest route. The Hunedoara economy has been deeply affected by the post-communist restructuring, since the county was the capital of Transylvanian ironworks (Hunedoara and Călan) and coal mining (Valea Jiului). In April 2016 in the records were 114,728 employees, unemployment was 4.52%, a problem that rather affected the Jiu valley. 10,606 firms submitted their annual financial balance in 2015 they, of which 7,652 active enterprises, whose turnover reached 10.744 billion lei, with the largest slice of 42.46% of companies that were active in industry, followed by trade by 29.89%, and construction by 10.2%. We know about 35 Hungarian-owned firms. The most important industrial branches: mining, manufacturing, electricity and heat production, production of automotive parts and accessories, production of wood processing bicycles and food industry. Agriculture and forestry contribute 3.8% to the economic run recorded in the county, with a total of 280,350 hectares cultivated.

In Hunedoara County, agriculture is present to a lesser extent, employing only 23.6% of the workforce. The explanation lies in the fact that the mountain relief allows to a small extent the use of land for agriculture. The agricultural area of the county is 280,350 hectares, of which arable 79,115 ha, grassland 117,523 ha, Mon 82,675 ha and orchards 1,037 ha.

### 3.2.3 Necessary measures

#### Agriculture and rural Development

Arad county agriculture occupies an important place in the region, because its soil is most favourable to the cultivation of cereals and vegetables, namely because the water here is of high drinking quality at national level. The work of farmers and small producers would significantly improve, if they'd able to resolve their production by associations, namely these associations could resolve the local processing of products. Here we are thinking of either the processing of cereals or vegetables, fruit, which could contribute to the development of the region and to the decline in rural unemployment.

In the food industry, the modernisation of packaging materials should be implemented, so it'll be suitable to the increased requirements of consumers, and the insurance with protected trademarks of local

producers. An important point of view is the establishment and retention of the network of buyers.

The Hungarian community in Timiș county lives in a proportion of 55% in rural areas and a defining element of its survival is the agriculture. One of the characteristics of the county's agriculture, is that most of the cultivated land is owned by foreign-owned enterprises and these companies work on huge surfaces with modern machinery and high productivity. In addition, in many areas, the infrastructure for agricultural support (silos, plant parks) has been built. Livestock farming is somewhat restricted, especially in the county's plain area: a single meat processing company operated by foreigners. The purpose of agriculture is primarily the export of raw material, the processing industry being present to a lesser extent. In this area we consider it very important to increase agricultural business in community administration, namely to restructure the processing industry in agriculture in order to meet market requirements. By supporting SME, economic units with an integrator role can be created, which could suppress the deficiencies in the production chain. Further, we consider it appropriate to support the development of forms of agricultural cooperatives and preservation on the homeland of the young farmers.

Starting with the topography of Caraș-Severin county, there are open possibilities for development in the fields of agriculture, livestock farming and timber exploitation. In the plain and hill area there are many predisposes of livestock farming and the county has the necessary infrastructure for meat processing. 65% of the county's area is mountainous, so there is an important potential for lumber exploitation. Also, as per the mountainous relief, opportunities can be represented by the exploitation of underground resources: in addition to the marble production in a monopoly position, granite, limestone, clones, sand and various metals are still to be found.

In Hunedoara County it is important to support the establishment of modern, competitive agricultural enterprises, the establishment of the Hunedoara county Agrarian Circle. The organization of Hungarian land owners in the valley of the Mureș-Orăștie-Jelediñi-Băcia would place on solid bases farmers small regions.

#### **Entrepreneurial support**

In Arad County the presence of SME in agriculture and the food industry is quite important, the service infrastructure requires expansion, local products are not processed according to quality certifications, they don't meet the health and safety regulations in the production processes. At SME level, would be important the marketing support, the registration of the protected regional trade mark, marketing and sales courses. The characteristics of the environmental and energy industry are projecting certain opportunities, as there are few energy-efficient buildings in the area, with little energy-efficient materials in construction. The opportunity is presented in the natural reintroduction of the cultivation of industrial hemp.

The region is rich in geo-thermal energy, which could be used in the setting up of thermal springs, and the completion of heating. The idea of using it in agriculture is not to disregard, for greenhouses heating. It is necessary to conduct geothermal researches/studies to capitalize on possibilities.

In the city of Arad there are not set up business incubators for young entrepreneurs, who could also perform the community's home role, providing space for the social life of young entrepreneurs, for conferences, meetings of people of Business. Business incubators support the operation of business, provide space and services to enhance them.

Timiș is one of the most industrialised counties of Romania, many industrial units have a past several decades. In addition, due to the proximity of the border, many industrial investments have taken place over the last twenty years. Local subsidiaries of international firms and local producers carry out an extensive scale of activities. Meantime, trade has a long tradition in the cross-border area. This sector is continuously expanding with the process of integration into the European Union. Thanks to the highly skilled local workforce industrial investments are performing and the services sector increases. From the point of view of the scientific economy, Timisoara is one of the main centres of Romania.

We believe that it is worth to support the initiation of new businesses, the development of existing ones, by placing Hungarian capital in Romania, respectively through market access for Hungarian entrepreneurs. By supporting the layer of young entrepreneurs, namely embracing new promising businesses (setting up start-ups), we can stimulate the development of modern businesses, established on a scientific basis and high added value.

The Hungarian business community in Timiș county is currently under-represented in the county economic life. In addition to this, the various forms of self-organization have been diluted in series, and thus the Hungarian economic actors do not have a generally accepted and functional body of representation. It would therefore be particularly important to set up a grouping of Hungarian entrepreneurs, namely to establish forms of cooperation. The development of the community role of business can be a different point of view of the Community's life. The implementation of a support system must be carried out in parallel with community ownership, as economic actors can contribute to a significant extent to the dedication and prosperity of the Hungarian community. In this area we consider it very important to support community enterprises, economic actors participating in community life respectively.

Given the low population of Caraș-Severin County, the support of local Hungarian businesses can be achieved with the gradual placement of Hungarian capital. Numerous economic opportunities are being presented and in order to exploit them it would be necessary to improve entrepreneurial availability, namely to strengthen cross-border relations. At the same time, the increase in number of Hungarian businesses can only result in the transmission of practical experiences and appropriate training. Hungarian entrepreneurs are present in the county to an infinitesimal extent. The entrepreneurial community needs to be rebuilt from the ground, it is necessary to educate a new entrepreneurial generation. By setting up several Hungarian economic actors through the Hungarian capital placement, the consolidation and expansion of the economic role of the Hungarian community, namely the building of cross-border relations, can be achieved.

In Hunedoara county, the printing industry has opportunities, printing books in Hungarian, including school textbooks and printing digitization. The implementation of new technologies, modern typographical equipment in order to increase the competitiveness of existing businesses. Initiating the

digitisation process, building software and hardware bases, preparing staff, including creating the prerequisites for switching to digital education. Solving the current crisis of printing of school textbooks in Hungarian, namely the initiation of the total digitalisation of education in Hungarian is a Transylvanian Hungarian interest.

Construction, building materials and marble industry, industrial services and related commercial activities respectively. Supporting existing businesses, development, implementation projects of new technologies, i.e. supporting new business, start-ups.

The most important initiative of Hungarian interest is called the road of Bethlen Aron, whose plan was drawn up jointly by the counties of Hunedoara and Alba, at the initiative of the two Protestant eparchies. The county points of interest of the project are Ilia, birthplace of the lord Bethlen Gabor, Hunedoara and Deva. Further, at the end of 2016 the revitalization plan of the Jeledinți 2020 was initiated, which aims to revitalize one of the oldest Hungarian communities of the county of Hunedoara, the village of 700 years, Jeledinți.

### **Tourism**

In Arad County in the protected natural areas, there are few accommodations available in the area, which are rather present inside the settlements. There are few accommodation units to offer traditional products, their number negligible. Therefore, it would be necessary to set up accommodation units that would appear on the market in order to suppress the shortcomings. Meantime, it would also be required the extension of the thematic itineraries of the Hungarian historical points.

Timiș county is a traditional tourist destination in Romania, but the events of the past years open great possibilities in this area. In 2016 Timișoara won the title of European cultural Capital 2021, and in many rural locations there will be serious investments in infrastructure (e.g. arranging a rowing track on Lake Surduc) in the coming years. These two factors are expected to give a boost to the tourist life of the county. At the same time, one of the less-exploited parts of the touristic potential of Timiș are the thermal waters, exploited through an infrastructure older than several decades. Primordial is to support the development of the relevant tourist attractions and the bed and breakfast field, but at the same time, emphasis should be placed on establishing tourist routes, on the complementary character of the services respectively.

The largest development potential in Caraș-Severin county is seen by specialists in tourism. Thanks to the topography of the county and the Danube proximity, this field is growing in recent years, being pursued by numerous governmental and regional funding projects, relatively good road infrastructure, national parks in the county, namely, the bath resorts with a long tradition and international reputation (as Baile Herculane) presents the possibilities of value in the field. There are currently many investments running, but all this is far from the real local potential. Beyond the creation and development of accommodation units, several tourist trails can be created, opening the possibility of entrenching the ecotourism. Due to the mountainous relief, winter tourism already has tradition, with several networks of functional slopes that are periodically developed.

In Hunedoara county, accommodations area, especially rural tourism (Cristur), youth and children Tourism, spa Tourism (Geoagiu), active tourism, winter sports (Parâng, Valea Jiului), respectively cultural and historical tourism (Hunedoara, Deva).

## 3.2. CENTRAL TRANSYLVANIA

### 3.3.1 Presentation of the target area

Under the name of Transylvania, or under the current name of Transylvania we understand the entire western part of Romania, but not as a unified province, but as the sum of the current territorial administrative units, i.e. the 16 Romanian counties. This territory comprises internal Transylvania, Partium and the larger western part of the Banat. The last two region together can be called outer Transylvania.

In the narrower sense, Transylvania, historical Transylvania or inner Transylvania means the central-eastern part of this large territory (beyond Piatra Craiului), which had a certain independence in the period of the former Hungarian kingdom. In southern Transylvania, is located the historic region of Szeklerland. In the current documents, however, the subject analysed is the so-called internal Transylvanian counties, namely Bistrița-Năsăud, Cluj, Alba, Brasov and Sibiu, which further will be referred to as the central Transylvania region.

The first document mentioning to the territory is Géza's letter of donation from 1075, which appoints the territory of Transylvania as "Terra Ultra Silvam" (Ultra Silvam ad castrum quod vocatur Turda), i.e. "beyond the forests." In the same century, the reference to "Partes Transsylvania" (or in the contemporary writing "Transsilvanae") (Legend Sancti Gerhardi, in the first half of the XII century) was started, which means "parts beyond the forests", also used in the Hungarian kingdom. Instead of the Latin language, "Erdőelve" was spread in the common language. Its first documentary appears in the Chronicle of the XII Century of Anonymus (Gesta Hungarorum) where it is remembered as "Erdőelvként". The Hungarian name was also translated into German: the phrase "Überwald" (beyond forest) can be read in numerous documents from the 13TH and 14TH centuries. Later, the Germans called the Territory "Siebenbürgen" ("Seven Fortresses"). The seven fortresses: Sibiu, Brasov, Bistrița, Sighișoara, Sebeș, Orăștie and Cluj Napoca.

Historical Transylvania occupies the strip situated at 300-480 metres above sea level, the so-called Transylvanian Basin, along with the mountainous chains surrounding it. The surface is 57,000 km<sup>2</sup>. Limits: The Southern Carpathians separates it from Muntenia, to the east the Oriental Carpathians from Moldavia and Bucovina, to the north are displaced by the north-eastern Carpathians (Maramureș, Gutâi, Sălaj), to the west the Pannonian Plain, and to the southwest the Banat Mountains.

The Transylvanian basin is crossed, among others, by the rivers Mureș and Someș, but from here it also springs the Olt. The lowest point is near Orșova (at approx. 65 meters above sea level), the highest is the Moldoveanu peak in Făgăraș massif (the Southern Carpathians), which is at the same time the highest point in Romania (2.544 m). In the west it stretches the eastern part of the Panonic Plain.



Further to the east are the Apuseni mountains, stretching from the Barcău Valley to the Mureş Valley. It consists of the mountains of various bands, the highest (1,848 m) and perhaps the most beautiful being the karstic area of the Bihor mountains.

The current Transylvania can be divided into three major statistical regions: North-West Transylvania (North-West Development Region); Central and Eastern Transylvania (Centre Development Region); South-West Transylvania (West Development Region), but so would not completely outline the existence of socio-economic braids between counties, which is why it appeared at the forefront, in the framework of the present development Plan this Division of the regions. As a result of this we included in central Transylvania those counties which are part of historical Transylvania, but not of the Szeklerland, and for an easier geographic identification, we use the current territorial administrative units and the limits Established.

#### Hungarian population of Central Transylvania

County	Number of Hungarian populations according to census data of 2011
Bistrița-Năsăud	14061
Brașov	39284
Alba	15346
Cluj	102928
Sibiu	9961
Total:	181580

Bistrița-Năsăud County is in the northern part of Romania, in Transylvania. Resides in Bistrița. Neighbouring counties: to the east Suceava, to the west Cluj, to the north Maramureș, to the south Mureș. The county area extends on 5,355 km<sup>2</sup>. One-third of this is occupied by the Oriental Carpathians: Țibleș, Rodnei, Suhard, Bargaului and Călimani. The rest of the surface belongs to the Transylvanian basin. The most important river crossing the county is Someșul Mare. A larger tributary is Bistrița. The highest point: Pietrosul Mare (2.303 m) in the Rodnei Mountains.

The climate is temperate continental, the difference between seasons is significant. The average annual temperature is 9 °C at the hill and 0 °C in the mountains. In the Rodnei Mountains and Călimani, the snow layer holds 160-200 days. The average amount of precipitation is 650-1,400 mm/year depending on the height, exceeds the national average. The wind blows mostly from the west. The period of stronger winds is April-July, and the weakest in November-December.

In 2011 it had 277,861 inhabitants, with a density of 58/km<sup>2</sup>. Romanians represent 94% of the population, Hungarians 5%, and are inhabited also by German and Roma ethnics.

Brasov county is in eastern Transylvania and in the centre of Romania. Resides in Brasov municipality. Neighbouring counties: Covasna to the east, Sibiu to the west, Mureș and Harghita to the north, Argeș, Dâmbovița and Prahova to the south.

Brasov county area is 5,363 km<sup>2</sup>. To the south stretches the Curvature Carpathians and the Southern Carpathians: Făgăraș, Bucegi, Piatra Craiului, Piatra Mare and Postăvaru mountains. To the south-east is the depression of Brasov (Bârsa land) and to the west the valley of Olt. They surround the Perșani mountains. The highest point of the county is the peak of Viștea Mare 2,527 m). Another peak is the Omu from the Bucegi massif (2.507 m).

The climate is temperate continental. The average annual temperature falls below -2.5 °C in the southern areas at over 2,000 metres altitude; measures 7.5 ° C to the hill; 7.8 ° C in eastern depression; 8.2 ° C in the west. The average amount of precipitation is 1,400 mm/year in the mountains, 600-750 mm/year in the sub mountain and the lower areas. The dominant winds are those from the west and northwest, with an average speed greater than 8 m/s in the mountains and 3 m/s in depressions. The Foehn is specific to the northern slope of Făgăraș.

In 2011 the county population was 505,442, with a density of 118/km<sup>2</sup>, of which 458,666 i.e. 91% Romanians, Hungarians 7.7%, Roma 1.4%, Germans 0.2%. Once, the Romanian population was present in the west and southwest of the county, the Hungarians in the east and the Germans in the north, in the area of Brasov.

There are 165 localities in the county. Among them four municipalities (Brasov, Codlea, Făgăraș and Săcele), six towns (Râșnov, Rupea, Predeal, Ghimbav, Victoria and Zărnești) and 48 communal centres.

Săcele, or Négyfalu (formed by the merging of Baciú, Cernatu, Satulung and Turcheș), respectively Purcăreni, Tarlungeni and Zizin, all together forming a cultural unit, the group of csango villages, Seven Villages.

**Alba county is in the central-western area of Romania. Has the seat in Alba Iulia. It borders the counties of Sibiu and Mureş to the east, Bihor and Arad to the west, Cluj to the north and Hunedoara to the south-west.**

**The area of Alba county is 6,242 km<sup>2</sup>, the mountainous area occupying 59% of it. In the northwest is the Apuseni mountains, to the south and south-east the mountains of Sibiu and the city, and to the east the Transylvanian depression, with deep and wide valleys. The most important rivers in the county are: the Mureş with the tributaries Târnavă Mare, Arieş and Sebeş.**

**The climate is continental. The average annual temperature is 2 °C in the mountains and 9.5 °C in Mureş Valley. The average annual amount of precipitation is 600-1,100 mm. The dominant wind direction is west and southwest, with average speeds of 12 km/h. The Foehn, which brings the increase in air temperature and a decrease in the amount of precipitation, is common.**

**In 2011 the county had 327,258 inhabitants, of which 94% Romanians, 4.6% Hungarians, 1.4% Roma and other ethnicities. The north and north-west areas of the Apuseni Mountains are known as the country of the Motaş and have Romanian traditions.**

**In the county there are four municipalities (Alba Iulia, Aiud, Blaj, Sebeş), seven towns (Abrud, Baia de Arieş, Cugir, Ocna Mureş, Câmpeşti, Teiuş, Zlatna) and 716 villages belonging to 67 communes.**

**Cluj county is in the north-western part of Romania. The seat is in Cluj Napoca. Neighbouring counties: Bihor to the West, Mureş and Bistriţa-Năsăud to the east, Sălaj and Maramureş to the north and Alba in the south.**

**The total area is 6,674 km<sup>2</sup>. A third of the surface is mountainous in the southwest of the Gilău Mountains, (Apuseni Mountains) with peaks above 1,800 metres. The most important rivers are Someşul Mic, Arieş and Crişul Repede.**

**The climate is temperate continental, with cool summers and less cold winters. Based on the relief, two main areas of climate can be distinguished: mountain climate and plateau climate. The average annual temperature is 2 °C in the higher parts of the southwest and 8.2 °C at the plateau. The average annual amount of precipitation is 600-1,400 mm. Dominant winds blow from the west and northwest.**

**According to the census data of 691,106 people, 73.1% are Romanians, 20% Hungarians, 3.3% Roma. Of the towns, in Turda and Câmpia Turzii the proportion of Hungarians did not reach the percentage of 10%, but in the other towns of the county is above that figure. Among the cities, most Hungarians lived in Huedin, where they constituted 27.5% of the population. Communes of the Hungarian majority: Sic (96%), Crisan (81%), Sâncraiu (78%), Unguraş (61%), Moldovan (55%), Săvedisla (55%), Suatu (49%).**

**Sibiu County is in the centre of Romania, in Transylvania. Seat is in Sibiu (147,245 inhabitants). Bordering counties: Brasov to the south, Alba to the west, Mureş to the north, Vâlcea and Argeş to the south.**

**The total area of the county is 5,432 m<sup>2</sup>. In the south stretches the Făgăraş mountains higher than 2,500**

m, the Lotru Mountains and the Sibiului mountains occupying 30% of the county's area. Across the county of Sibiu, the Olt divides the Southern Carpathians through the Turnu Rosu gorge, which is one of the most accessible between Transylvania and Muntenia. The north passes and Târnava Mare. Other more important rivers are Cibin and Hârtibaciu.

In 2011 the county population was 375,992, density 78/km<sup>2</sup>. Most of the population are Romanians, the percentage of the Hungarian minority in the county being 2.6%. Traditionally, the most numerous minorities in the county were the Germans, but their number has declined lately because of emigration. The southern part of the county is inhabited by the Romanians close to the mountain, the northern part of Romanians, Germans and Hungarians, but most German localities have emptied. The Roma population has been displaced here from southern Romania in the time of communism, and since then their number is steadily increasing, reaching the same level as the German minority in Sibiu County.

Main territorial administrative units in Sibiu County: Sibiu, Mediaş municipalities. Cities: Dumbrăveni, Avrig, Copşa Mică, Cisnădie, Tâlmăciu, Sălişte, Agnita, Miercurea Sibiului, Ocna Sibiului.

### 3.3.2 Economic situation analysis

The five counties of central Transylvania belong to two different development regions: Cluj and Bistriţa-Năsăud of the NUTS-2 North-West Development Region, while Alba, Brasov and Sibiu by the Centre Development Region. The relatively heterogeneous region has two poles of great attraction: one is Cluj Napoca which is considered as a metropolis with international potential, and the other Brasov, which is viewed with an interregional pole. The county with the highest urbanization indicator, Brasov (72.3%) is followed by Cluj 66.3%, and Sibiu by 66.2%, while in Alba the percentage of urban population is 57%, and in Bistriţa-Năsăud barely reaches 37.6% (this is the smallest figure in Transylvania). Sibiu is considered a regional centre with potential, while Bistriţa and Alba Iulia as regional centres with limited potential.

Bistriţa-Năsăud remained one of the relatively poorly developed areas of the region – GDP per capita barely reaches the national average of 72% - despite the incentive effect of producing companies with higher added value in the area, such as producers of automotive components. Industrial production focuses in the county's residence, Bistriţa: beside the traditional lightweight industry firms, the most significant are plastics and furniture, but here operates the largest automotive battery-producing plant. The other two industrial centres of the county are Beclean and Năsăud. Plastic-producing centres are Năsăud and Salva, while the light industry is also present in Dumitra, and in the Livezile activates a manufacturer of automotive components. Ilva from the foothills of the Rodnei Mountains is known for wood processing, while in the small plains, Monor and Teaca operate food processing units. In the rural area inhabited by Hungarians, Beclean counts as the Bistriţean centre for metal processing. Beside Cluj, Bistriţa-Năsăud county has become one of the most important centres of the logistics-transport branch.

The cultivated agricultural area barely reaches 63 thousand hectares, with a drop of a quarter in the last decade. The strongest regression is found in the cultivation of cereals, but also the cultivation of potatoes considered equally important, decreased by 30%. The vineyards stretch on 470 hectares. Compared to other counties, in this area the number of horned cattle increased by 20%, while the number of pigs

decreased by 40% within ten years. In the case of sheep, the increase was 90%. The number of accommodations that remains far behind the potential of the regional area with mountain relief, barely exceeds 2,600 beds and in recent decades there has not been much development in the field. The occupancy indicator is 26.2%.

In the south-eastern corner of Central Transylvania lies Brasov county, which is the most developed area of the Centre Region, and the second in central Transylvania, after Cluj.

The attractive sector of the county residence exceeds the county boundary, and practically the economy of Brasov directly affects the development of the southern Covasna county and the area of Sfântu Gheorghe. Although the county has a high urbanization percentage, the economy focuses around Brasov as the seat of the county. As a matter of fact, the city was one of the biggest victims of restructuring and privatizations, given that the communist plants were demoted at a time, such as the tractor factory, the bearing factory or the Roman truck, but once with EU membership the automotive component manufacturers have taken advantage of the fact that Brasov and its area had a skilled workforce. Most automotive component manufacturers have opened production capacities in Brasov, Cristian, Ghimbav, Sînpetru and Codlea. In Ghimbav, it was recently restarted the production of helicopters with the help of the Boeing`s helicopter division. However, the company with the highest turnover is not industrial, but commercial: this is where the hypermarket chain, Selgros, registered its headquarters. Of the localities located farther from Brasov, Făgăraş survived the crusting of the chemical factory, some of its sections, such as the explosive fabrication, operating today. The city of Victoria, also mono-industrialised, has gone downhill, and here are small chances for investors to save the locality that arose as a result of socialist industrialisation. One of the major industrial societies of the county is the cement factory at Hoghiz, which was purchased at the privatisation by Lafarge. As for the turnover of firms, 45% is represented by companies with industrial profile, 33% of those with commercial profile, 14% of services, and 6% of construction firms.

In Brasov, 80 thousand hectares are cultivated now, 15% less than ten years ago, especially for cereals. The area cultivated with potatoes fell by one third, which now barely exceeds 10 thousand hectares, however the largest in the region. The area cultivated with sugar beet has increased in the last years to 3,500 hectares, also justified by the sugar factory operating in the area, at Bod. The sugar factory buys sugar beet especially from the counties of Brasov and Covasna. Another traditional food processing unit in the county, the Poiana chocolate factory, has no further trace: the foreign investor has moved its production capacities to Bulgaria, and the factory building has been demoted.

In Brasov county, are registered 60 thousand horned cattle, and the number of pigs varies around 100,000, the largest pig-meat processing unit operating at Poiana Mărului. From a tourist point of view this is the area with the highest turnover in Romania. The number of accommodations develops dynamically further: while in 2005 there were 12 thousand places of accommodation, at the end of 2015 they exceeded 28,600 seats, with a 20% occupancy.

Alba County is part of the Centre Development Region, and although it is in the west of the region, the Regional Development agency headquarter is here. The fact that at the time, political will has placed the

region's headquarters in the less developed county, while in the region there are more important cities at regional level (Brasov, Sibiu, Tîrgu Mureş), it has proved to be favourable for Alba County: It has attracted more investment compared to counties with similar potential. It was able to largely balance the disadvantage caused by the disappearance of the mining industry as a result of restructuring processes, although the county is struggling with unemployment today (5.1%) That slightly exceeds the national average and the degree of employment in agriculture is too high (30.7%). Most investments focus in the central area of the county, the Alba Iulia–Sebeş sector, but significant investments were started in the surrounding villages: Galda de Jos, Sântimbru, Ciugud and Vinţu de Jos. In Sebeş there are the two larger timber processing companies, owned by Austrian Holzindustrie Schweighofer and Kronospan, but in the same town Mercedes installed one of his auto parts production divisions. The story of success can also be the history of the mono-industrial Cugir that once depended entirely on the tool factory, where in the years 1900 the economy collapsed completely, but the small city of the mountains has risen in recent years, after car parts manufacturers have moved here, along with a large meat processing company. Like Cugir, a positive example is Blaj, where in addition to a brewery, several car parts manufacturers have opened their production units here. Unfortunately, it wasn't possible to identify a solution for the crisis of the two towns on the shores of Mureş, Aiud and Ocna Mureş, which could not recover after the crash of the metal processing company in the case of the first, and the chemical plant in the case of the second.

The cultivated agricultural area of the county barely exceeds 100 thousand hectares. Over the last decade the proportion of the area cultivated with cereals has decreased, slightly increasing those cultivated with oilseeds and more with vegetables. In the county, grapes are cultivated on an area of more than 4,400 hectares, while between fruit, plum and apples are more significant. In the last decade, the number of horned cattle has fallen by one third, even though in Oiejdea operates a high-capacity milk factory. The number of pigs has not changed, while in the case of sheep, an increase of about 40% could be observed. In the county there are two of the four largest processors of poultry meat from Transylvania: The largest is at Oiejdea, whose capacity is equal to the other three together, while the one in Cugir annually processes 15,000 tonnes of poultry meat. The number of accommodations has tripled in the last decade, thanks especially to new farm houses, but the occupancy index is very low, only 19%.

Cluj County is the most developed county of Central Transylvania, where GDP per capita exceeds the national average (125%), being exceeded in Transylvania only by Timiş county. Low unemployment, below the national average of 2.4%, is accompanied by the highest average net salary in Transylvania. Cluj Napoca became the centre of Romanian IT. Beside the traditional light industry, the city attracted several manufacturers of automotive and transport parts, but significant are the chemical and pharmaceutical industry as well as food industry. In the neighbouring Apahida an investment in paper production was established, and in Câmpia Turzii a company, market leader for trading seeds and seedlings. Baciuc became a furniture manufacturing centre, and Bonţida became, after Nokia's leave, the destination of manufacturers of electronic and automotive parts. A production unit of plastics was constructed in Cătu, while in the Săcuieu, Corneşti, Petreşti de Jos and Vad investments were made in the food industry. Half of the industrial parks of the Northwest Development Region are in Cluj county: Outside Cluj Napoca, in Dej and in Turda. The Cluj Napoca area is an important air, road and rail communications hub, so it explains that the logistics centres of some major companies of several countries have been established in the city

or around it. The income of firms derives 38.2% of trade, 25% of the industry, 10.6% of construction, and 8.1% of logistics and transport.

The proportion of agricultural activities in Cluj county is very modest, barely 1%. Significantly, the cultivated areas have decreased over the last decade by more than 35%, which has primarily affected the production of cereals, potatoes, those cultivated with oilseeds and vegetables. In the last decade, the number of horned cattle decreased by a quarter, of pigs by 60%, only in the case of sheep, a moderate increase was observed.

In terms of accommodations, there was a slight increase of 15%, their number reaching 7,600, while the employment index is around 24%, in accordance with the average of the region. In rural tourism, the number of accommodations has grown mostly in Călata Land, but a continuous increase in this area is possible.

Sibiu county is approaching, with several indicators, the two most developed counties of the region. Cluj and Brasov. The GDP per capita produced here exceeds the national average, unemployment is much below the national average, and the average net salary does not differ greatly from the national average. Although it is among the developed areas of Transylvania, the development of the entire region is not homogeneous: the dynamic pace of development of Sibiu and Mediaş cannot be replicated by two smaller towns, such as Copşa Mică and Dumbrăveni, who have not recovered their restructuring shock, and which have been avoided by investors. Sibiu became the regional centre of automotive parts manufacturers, where German, French and Japanese manufacturers of automotive parts opened factories, but where the traditional factories of light industry still operate. In Mediaş, in addition to the two major national gas companies Romgaz, production, and Transgaz, transport, there are also manufacturers of automotive parts. Of the three county light industry centres, Dumbrăveni became a loser, while the shrinking production capacities of Cisnădie and Agnita were replaced by new investments. While Copşa Mică, once the most polluted city of Romania, could not recover until today from the disappearance of the heavy and chemical industries, the car production continues to be carried out, and at Avrig the void left by the former heavy machinery factory was filled by a glass factory.

Smaller settlements are trying to become more attractive to investors through industrial parks, and thus, in the last two years, at the edge of Şelimbăr, Şura Mică and Cârţa have been established industrial parks. As for the workforce, 32.1% operates in industry, 13.8% in trade, 14.6 in agriculture, 6.7 in construction, and 6.2% in logistics and transport.

The county with hilly-mountainous relief has areas cultivated on only 68,000 hectares, which are 15% fewer than ten years ago. It decreased especially the area of those cultivated with cereals, while that of potatoes stagnate, and that of oilseeds increased slightly. The number of horned cattle decreased by about 40% within a decade and that of pigs by 30%, while the numbers of sheep, traditionally, became the largest in all Transylvania, exceeding 560,000 heads. Thanks to the development of rural tourism, the number of accommodations has multiplied by almost 40% over the last ten years but are still insufficient in terms of the tourist potential of the county. The occupancy indicator is 29.3.

### **3.3.3 Necessary measures and programmes to revive the economy, corresponding material resources analysis**

In the market economy that followed the regime change, although one of the conditions of competitiveness is the capacity for cooperation, the high-level cooperation culture of Western European countries is slowly forming in the former socialist countries and in Transylvania. The availability of cooperation of economic actors in agriculture, rural development, tourism or other areas has not been enhanced either by access to clusters or networks financed by the European Union, due to the high degree of the complexity of excessive bureaucracy, foreign structures (which are not based on historical local traditions, on their forms of cooperation), and for reasons often geared towards obtaining funding.

For these reasons, the success of any package of economic development measures is to be found in identifying targeted strategic projects with multiplier and integration effect, and exploiting existing resources, in horizontal cooperation development, in the form of associations.

In each of the areas of intervention in Central Transylvania, we recommend the identification and implementation of several comprehensive strategic projects, and the financing of smaller but important and useful projects to the given communities.

#### **Agriculture and rural Development**

Although there are countless forms of relations between Transylvanian farmers, the cooperation characterised by symmetrical bargaining force are rather informal relations, while most formal relations are characterised by an asymmetrical bargaining force (i.e., adherence, eventualities).

Proposed measures (in the form of repayable and non-refundable financing):

- Supporting bulk and extensive acquisition of land in rural areas
- Supporting the acquisition of land necessary for the creation of community gardens in the urban environment
- Naturalizing and cultivation of new plants, varieties with more favourable agricultural characteristics, and supporting innovative processing firms
- Supporting the cooperatives of agricultural producers – joint purchasing of tools, small processing plants, storage areas, namely the creation of direct and short recovery channels (manufacturers stores, producer markets, packaging services)
- Support of machinery circles (equipment associations, equipment rentals, machinery unions) and support for collaborations in services (provision of services with machines)
- Supporting collaborations aimed at developing ecotourism, healthy food production, between tourist service providers and agricultural producers, supporting local service chains and fast sourcing

It would also be paramount to achieve strategic agricultural projects in the region, aiming at creating a modern, high-capacity building location in the highest purchasing power halls (e.g. building a market hall



in Cluj owned by the cooperatives), which would reduce the adherence and dependence of the small regional producers – dairy products, pork and poultry, vegetables, fruits, winemakers – toward multinational stores chains or from market exclusivity of producers. In addition to the strong multiplier effect, such a project would lay the foundations for compression and consolidation of traditional Transylvanian brands (Aiudene Wines, Bistrițan plum, Ostezene vegetables, etc.).

## **Tourism**

Supporting the forming of tourist associations aimed at managing local, regional and regional activities (creating an appropriate environment, starting and planning services and attraction points, developing marketing), initiating them, procuring means (e.g. creating natural routes, DIY tools, water and terrestrial sports equipment).

It would be appropriate to support marketing and development activities aimed at setting up ecological, green and rural tourism associations.

Support investment, procurement of means necessary to diversify services, meeting the quality classification and authorisation requirements of small tourist enterprises (gastronomy, outdoor sports equipment, indoor games, child friendly services, relaxing and gardening equipment, etc.)

It would also be appropriate to identify, in the context of a county strategical project, those objectives of Hungarian interest, which are in Hungarian ownership (castles, curia, etc.) whose support for their renovation and economic recovery would result in revitalizing the attraction of the county-micro-region.

A project of strategic importance could also be a project of tourism management at the Transylvanian level (database, objectives, inventory of Hungarian tourist services of interest, creation of thematic routes, development of extended marketing).

## **Supporting businesses and building communities in other areas of development**

- Funding start-ups in the cultural and creative fields (handcrafts, design, audio-visual content, visual arts)
- Programmes focused on stimulating collaboration between the Transylvanian Hungarian knowledge base and the business sphere, the establishment of harmonised programmes of R+D+I
- Stimulating the technological and non-technological modernisation of SME
- Supporting businesses and centres providing diversified services development, innovation and technology transfer
- The project of strategic importance of the plan for the expansion and infrastructural investment of the most important exporter of the regional and national theatrical creation, the Hungarian State Theatre in Cluj Napoca, could also enjoy support.

## 3.4 SZEKLERLAND

### 3.4.1 Presentation of the target area

The territory of the Szekler land in the Middle Ages was composed of the so-called "chairs", which were the following: Mureş Chair, Odorhei Chair, Ciuc Chair and Three Chairs. The latter consisted of the chairs of Sepsi, Kezdi and Orbai. Here we must remember the Szekler Chair of Arieşului, which was also an a Szekler chair, but geographically does not borders the Szeklerland, and today barely live there Szeklers. The most important task of the Seklers living in the Szekler Chairs was always to defend the eastern borders of the Hungarian state. Socially they belonged to the Hungarian nobility, and benefited from numerous privileges, including tax relief. Throughout the history of the Szeklers have emigrated several times, in mass too, from the land, and this stray/departed groups are called "Csango". The ethnic groups of more important csango are the csangos living in Trotuş Valley, the csangos of the Bârsa Land in the Brasov area (Seven Villages) and the Moldavian csangos living beyond the Carpathians.

In drawing up the present strategy, we do not analyse the historical territory of the Szeklerland, but in this case, we understand the land of the current territorial administrative units, i.e. the territories and the population of the three Szekler counties: Harghita, Covasna and Mureş. Szeklerland, from the geographical point of view of Romania, is in the centre, the natural boundaries being given by the chain of Oriental Carpathians, namely the Transylvanian Basin and the Transylvanian Plain.

The Szeklerland with an area of 17.063 km<sup>2</sup> was inhabited, according to the data of 2011 census, of 1,042,610 persons, of which the percentage of Hungarians was 60%, but from them the higher proportion of the counties of Harghita and Covasna, and smaller in Mureş. The Szeklerland is located on two forms of relief, predominantly on the Eastern Carpathians, and less in the territory of the Transylvanian Basin.

The oldest unit of the Oriental Carpathians consists of the crystalline-Mesozoic waist (gneiss, filit, mica, etc.) Part of them are the Giurgeului mountain, the Bistriţa and Naşcalat Mountains in the northern boundary of the Szeklerland. The Giurgeului mountains, that carries the springs of Mureş and Siret, could be divided in the various formation Borsec, Sărmaş, Ditbad and Voşlăbeni Mountains. The sub-Cretacean marine limestone on the Triassic and Jurassic Ophiolite constitutes the elevated, fragmented and limestone outer layer of the Giurgeului Mountains. In the northern part of the Perşani massif there is the limestone Vârghiş and Orbán Balázs caves, belonging to the Szeklerland.

The eastern and south-eastern edge of the Szeklerland is covered by the Cretacean-Miocene flips of marl, tiles, slate and limestone. The border mountains between Transylvania and Moldova are the Tarcăul, Ciucului and Nemira. Their continuation towards the south-east are the Vrancei Mountains (1,777 meters) separating the drainage basins of Olt and Siret rivers, and Buzăului, Întorsura Buzăului and Brasov Mountains respectively. The Bodoc and Baraolt Cretacean sandstone mountains are the ones that flank, respectively, the Târgu Secuiesc basin.

One of the longest volcanic mountain lines in Europe are the Călimani (2,100 m), the Gurghiului Mountains (1,777 m) and the "Holy Mountain of the Szeklers", Harghita (1,800 m) and they are the result of the chain

of volcanoes. The volcanic line of the Upper Miocene-Pleistocene, which constitutes the western part of the Oriental Carpathians, is formed mostly of a series of andesite calderas and craters, with a common volcanic slope on the eastern and western sides. Part of the former volcanic plateau was made up of the eastern border stone of the Transylvanian Basin today, the peak of Beheci, Şiclod and Firtuş. Over 1,000 mineral water springs (Borsec, Sâncrăieni, Tuşnad, Caşin, Biborţeni, Bodoc, etc.) were formed in the volcanic versant area covered with coniferous and honeycomb, and the thermal waters.

Along the passes and gorges of the Oriental Carpathians, there are volcanic, crystalline and limestone layers, respectively fliers, and in S-E are known as the string of Szekler chairs formed from depressions deformations of quartz. The small basins are at 500-590 meters above sea level, Bilbor, Borsec, Casin, Baraolt and the Intorsura Buzăului. The large basins are the cold climates of Giurgeului, Tasului and Three Chairs, which relate to vulcanism, and, with the recent prolapse, loaded with stand-alone and flowing waters. The coldest is the Giurgeului basin, where the average winter months temperature is -9 °C, and the winter days often reach -20 °C, -30 °C. In the Ciuc basin, which can be divided into the upper, middle and lower parts, the annual precipitation amount is 600-700 mm, the average annual temperature of 5.8 °C (Geography..1987). The Three Chairs basin (Three Upper Chairs or Târgu Secuiesc, respectively the Sepsi Chair basin), sunken in flysch and filled with river deposits, has a slight fall from Olt to the Black River. From the Olt Valley to S-V lies the basin of Bârsa Land, together with its basin.

Intramontane deformations/basins covered by grassland and meadows used for livestock farming, of arable land favourable to the cultivation of potatoes and cabbage, and the wooded mountainous lines surrounding them, have made possible the formation of a specific life form of wood civilization, connected to the cold climate, in the municipalities and cities inhabited by several thousand people in these depressions.

The Eastern Carpathian Basin, the central part of today's Romania, the Transylvanian depression, which stretches between the Apuseni mountains, the Oriental and Southern Carpathians from the west to the east, respectively in the direction of NV presents a hilly relief in graduated slopes. Today's surface is covered with Pannonian, lesser Sarmatian sediments, and the wider valleys are covered with river deposits from the Neocene. Today, the leafy forest surface of the hills is dotted with shear sand mowers with sledge way.

The central territory of the Transylvanian depression is Transylvania, mostly made of clay landslides, forms of erosion and alluviation. The south-east is known as the secular plains. South of this stretches the plain of the Mureş valley, terraced and wide. From the east stretches to the west of the Târnave Plateau, structured on plots with heights ranging from 500 to 700 meters. On the clay, sandy, marl, very interred soil was formed steep slopes and valleys in terraces. Advancing on the north-south direction, the most important parts, belonging to the Szeklerland, is the concentration of settlements from Niraj valley, the hills of Târnava Mică, within Târnava Mare valley that connects several cities. In the Transylvanian plain and the plateau of Târnava rivers cultivation of plants and fruits is possible due to the annual temperature of 7.5-9 °C and the amount of annual rainfall of 600-800 mm.

The Aranyos Chair is mainly covered by hilly relief. In the western edge of the Transylvanian depression, amidst the of the karstic Trascăului mountains, formed by Mureş and Arieş in Mesozoic, arises the area that can be enclosed in the part establishing the Transylvanian plateau, the Potaissa area.

The backbone of the water network in Szeklerland are the Maros and Olt from the Hășmașul Mare region. The central marches of the Eastern Carpathians form the watershed between Mureș /Tisa/ Olt and Siret. The major tributaries of Mureș from Szeklerland include Niraj, Târnava Mică, and Târnava Mare, Nyikoul Alb. In Aranyos Chair, the longest river of Transylvania, Arieș, flows into the Mureș. Among the more well-known tributaries of the Arieș, is the Hesdát Stream, which crosses the Turda rift. Olt collects the Black case, which is expanding with the Kászón Stream in Szeklerland, as well as the waters of Homorodul Mare and Homorodul Mic from Harghita. The tributaries of Siret are the Bistricoara and Bicaz, Trotuș with Oituz, and Buăzu. From a tourist point of view, the important natural lakes of Szeklerland are Lake St. Anna, Lacu Roșu born as a natural dam and the most significant of the salt karst lakes of Sovata, Lacul Ursu. The artificial lakes that are mostly made by land dams (Frumoasa, Zetea, Bezid Reservoir) is providing population and industry with water supply, and more recently tourism is also served by them.

Szeklerland is accessible both by land and air. The only international airport in the region is the Transylvania airport in Tîrgu Mureș, on the border of Vidrasău village. Apart from the recalled airport, which is located on the western boundary of the region, the south of the Szeklerland is close to Brasov airport.

The region is crossed by two main railways, one from Oradea, leading to Bucharest through Cluj Napoca, Sighișoara and Brasov, while the other connects Baia Mare with Bucharest, passing through Gheorgheni, Miercurea Ciuc and Sfântu Gheorghe.

As for the population, the Szekler County represents in Romania the so-called region of the Hungarians in bulk, because in terms of numerical proportions, the largest percentage of the Hungarian population is found here.

#### Hungarian populations of Szeklerland

County	Number of Hungarian populations according to census data of 2011
Harghita	262463
Covasna	154998
Mureș	208550
<b>Total:</b>	<b>626011</b>

The area of Harghita County is 6,639 km<sup>2</sup>. It is mostly composed of the Eastern Carpathian Mountains, such as Ciuc, Giurgeului, Călimani and Harghita mountains. These massifs are composed mostly of volcanic plateaus, mountain pois, and densely populated valleys.

The length of the national road network is 440 km, and that of the county and communal of 1,033 km.

Depressions deformations are crossed from north to south of DN12, from which the east divides DN12A over the thorn step, towards the Moldavian Comănești, DN12C by Bicz Gorges from Gheorgheni to Piatra Neamț. And DN15, through the Tulgheș pass, from Reghin leads to Vatra Dornei, through Toplița. The news branches from DN12 from Miercurea Ciuc DN13A through the Vlăhița pass, leaving the County at Praid, binds to DN13 (E60) leading from Tîrgu Mureș to Sighișoara.

The length of the railway network in the county is 213 km, of which 165 are electrified. The 400 main line crosses the county from Baile Tușnad to Toplița on the south-north direction, and from this it branches the 501 line from Siculeni to Moldova, which goes out to Comănești, through the Ghimeș pass. The railway movement from east to west branches from the 300 main line to hunters and has as final station Odorheiu Secuiesc.

The name of Harghita is of unknown origin. Linguists could not provide a clear scientific opinion on its origin, but in the collective mindset it is used as a girl's first name. The name is worn – who knows how long? – by the mountains that stretch, in parallel, from the central group of the Eastern Carpathians to the west, in the north-south direction and surround the Ciuc depression with the Ciucului mountains. The county received its name after this mountain range. The highest peak is Harghita-Mădăraș of 1,800 meters. But one must remember not only the mountains of Harghita and Ciuc, but also the mountains of Gurghiului in the northern sequel of the first as well as the north-eastern border mountains, the Giurgeului Mountains and the Hășmaș massif, respectively the plateau of Târnava in the western third of the county, and the Călimani mountains that close Harghita to the north, due to the slopes flowing into the county. It is not therefore random that 60% of the county's area is mountainous and hilly. In respect of populated settlements, there is a level difference approaching 400 metres between them.

Even today we can go over the volcanic activities of great extension. Wherever we walk along the county's east, we will run onto mineral water springs. Geology records over two thousand such springs. Many of these are bottled, some for several centuries.

The climate in the intramontan depression is more ruthless, colder than the parts of the West Harghita, where the climate is similar to that of the other regions of Transylvanian depression. Due to the frequent temperatures with very low values Ciuc-Gheorgheni is referred to as the pole of the cold in the country.

The amount of water required is provided to the drainage basin of eight rivers. In the southern part of the county flows the Olt, the Homorodul Mare and Homorodul Mic, in the eastern part Bistrița, Biczul Mare, Biczul Mic and the Troțuș, and in the western part the Mureș, Târnava Mare and Târnava Mica. Only the origin parts of these rivers can be found in the county's territory.

In Harghita County live the Hungarians in the highest proportion of all of Transylvania. According to the census data of 2011, the ethnic composition of the county population is as follows: Hungarians (82.9%), Romanians (12.6%), Roma (1.7%).

There are four in the county municipalities – Miercurea Ciuc (county seat), Gheorgheni, Toplița and Odorheiu Secuiesc. There are five towns: Bălan, Borsec, Cristuru Secuiesc, Vlăhița and Băile Tușnad. Rural localities are branched into 58 municipalities, to which belong a sum of 264 villages. More than half of the county's population lives in the countryside.

From a geographical point of view, Covasna county is in the centre of Romania, inside the arch of the Oriental Carpathians. It borders: to the east with the counties of Bacău, Vrancea and Buzău, to the south and west with Brasov county, and north with Harghita. Covasna, with an area of 3,710 km<sup>2</sup> is one of the country's smallest counties, only Giurgiu and Ilfov are smaller. Its altitude varies between 468 m (near Augustin) and 1,777 m (the tip of the Lăcăuți).

Most of the county is occupied by the north-eastern part of the depression of Brasov and the depression Târgu Secuiesc, which together constitutes 107,000 hectares, representing 29% of the entire area of the county.

The variety of geological formations, participating in the county structure, was possible by the formation of important underground water reserves. The water resources accumulated in the Pliocene and quaternary sediment of the arteries of the Olt, the Black River and their tributaries, and in the slope sediment, are qualitatively appropriate, being important sources of water supply to the county.

The flow of water accumulated in underground sediments reaches 5-6 litres/second.

One of the basic features of the county is the presence of mineral water springs and mofettas. Most are found in the Covasna area and the Baths of Bálványos (especially carbonated waters, bicarbonate, sodium, respectively mofetta). At the junction between the mountains and the depression, in the Olt Valley and in the Black River drainage basin the mineral waters are carbonated, salted, calcareous. Over 600 mineral water springs are known at the county level, some of which are also bottled. The most popular are the mineral waters Biborțeni, Bodoc and Vâlcele.

Mureș County is in the central part of Romania, in the drainage basin of Mureș, Târnava Mare and Târnava Mică, and Niraj, with an area of 6,714 km<sup>2</sup>, thus being the 13th largest county in Romania and the largest territorial administrative unit of the Centre Region. As for its topography, it stretches into a part of the depression of Brasov and the depression of Târgu Secuiesc and the highest point is in the Călimani Mountains, which is at the same time protected area, here is to be found the Călimani National Park. In the county there are 14 protected areas, which can stand for, also individually, important tourist attractions. Of these areas, worth remembering is the one of the Ursu Lake in Sovata, the arboreal of Sângeorgiu de Pădure, the protected area of the Lord's chair or even the ponds of.

From a hydrological point of view, the rivers mentioned above, and their tributaries constitute the county's surface flow, which reaches 1,179.9 million m<sup>3</sup>/year, as well as the freshwater lakes in the Fărăgău-Glodeni area stretching on 38 hectares and artificial thermal lakes, such as the one in Sângeorgiu de Mureș, which is used for health and prevention purposes. Most localities in the county are struggling with drought and low groundwater resources, phenomena caused on the one hand by climate change, on the other by the use in large and insufficiently rational amounts of surface water. The solution already dreamed in 1989, and since then under construction, is the reservoir of recollection from Răstolița, and on

the other hand it can be represented by hydrological and forestry management on the principles of sustainable development.

It draws attention the fact that 31% of the county's area is covered by forests, resulting that one of the natural resources and economic values of the county is the available timber material, where it is also important for the future the prudent forestry administration, strict adherence to environmental protection rules, namely the elimination of massive holdings and illegal timber trade.

In terms of resources of the ground, the most important are methane gas and salt. 39% of the entire amount of Romanian methane gas is ensured by the 37 forages in Mureş county. The salted lakes formed by salt mining have the potential for tourism (e.g. Sovata, Ursu Lake), but equally important would be the therapeutic use of therapeutic sludge or the mofetta resulting from the methane gas extraction.

The number of persons active in the labour field in the county is 43%, while the proportion of unemployment recorded in 2016 was 4.66% and has a declining trend, but it draws attention the high unemployment among people under 25, the important proportion of half being women, and people poor education.

The degree of employment is high in Mureş in the field of services and construction, while in agriculture it is barely visible, with only 1.8% of the population active at the data level of 2014.

Mureş county is in a favourable situation thanks to its central location, because, in terms of infrastructure, it is crossed by important European roads, national roads, namely a section of the Transylvania motorway. Near Tîrgu Mureş operates an international airport, but urban railway infrastructure requires development, given that it has only a few international races that transit it yet.

Regarding utilities and electricity supply, the county is among the most developed of Romania, although there are also shortcomings in the settlements, for which development plans already exist. Gas and electricity supply are relatively balanced, although we can find villages in a bad situation, especially because of geographic localization, where there is still no electricity and gas services. In the county operates a thermoelectrical plant, with a capacity of 800 MW, which has a gas turbine (Iernut thermo-boiler). In addition, there are micro-hydropower plants made or refurbished by private investments, and solar parks. The state's solar energy potential is relatively high because, due to geographic location, solar cells can produce energy throughout the hole year.

A possible renewable energy resource is also biomass, since according to a study of ICEMENERG S., the energy potential of biomass plants reaches the value of 20,277 TJ, of which 4,559 TJ comes from woody waste resulting in forestry holdings, the large part of which originate from Mureş county.

Mureş county is currently an important medical and pharmaceutical centre of the country, because in addition to the nine general hospitals, there are many private clinics and the famous Institute of Cardiology and Transplantation, and it is worth highlighting and Faculty of Medicine, so extending the medical infrastructure can provide the county with more jobs and economic benefits.

In terms of cultural heritage, there are 1,015 historical monuments of art in the county, including castles,

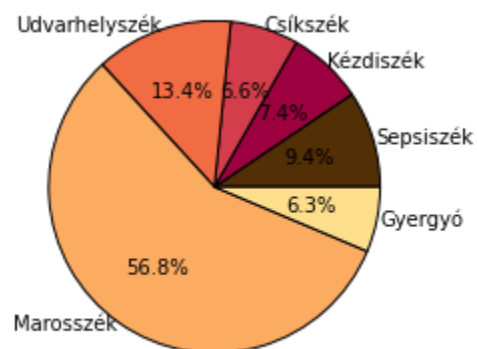
fortresses, churches, libraries, and other buildings. Among these, a particular importance and value have the fortress of Tîrgu Mureş, the fortress of Saschiz, or the Bethlen and Teleki castles in the whole county, the fortress and the old town of Sighisoara, and the larger or smaller wooden churches built in the Middle Ages or afterwards. In Tîrgu Mureş there is also the Teleki Téka, which was established in 1802 by count Teleki Sámuel, and which, in Romania's territory today, was the first library in the country! An imposing building is the Palace of Culture built in 1911 and designed by Kós Károly, which is also among the city's monuments and is an interesting tourist attraction.

### 3.4.2 Economic situation analysis

In the pre-accession negotiations, especially at the pressure of the EU institutions, Romania's territory has been divided into 8 so called development regions. Transylvanian counties are found in regions 5, 6 and 7. To the West Region belongs Arad and Hunedoara counties, respectively Banat. To the North-West Region belongs the counties of Bistriţa-Năsăud, Cluj and Sălaj, respectively Partium and Maramureş. To the Centre Region belongs all other Transylvanian counties, and only Transylvanian counties. Here belong also the Szeklerland mostly inhabited by Hungarians.

In an analysis of 2015, in the six Szekler chairs (Orbai and Sepsi chairs together) were analysed the first 50 companies in the order of revenues. Based on the data received, the GDP of the Szeklerland was 19.27 billion RON = \$5.37 B = €4.34 B – which are only indicative values, because there are no public funds taken into account, and smaller agricultural activities – which in the case of Harghita and Covasna counties are important elements of the economy. Projected on the 810,000 population, it results a GDP of 23,800 RON/person = \$6644 = €5362. This would mean the monthly amount of 1,983 lei/person, but the actual amount is affected (decreasing) by the location of the firm's headquarters (especially the large ones), the provenance of the workforce and the charges (after a 16% tax, the amount above is changed to 1,660), as well as the failure to calculate public funds and small firms (which raise it). Because the distribution of GDP in Szeklerland is not balanced at all.

Distribution of the revenues of the Szekler companies (the largest 50 firms in each seat) – Source: Székelydata





The Mureş chair can be especially proud of the services, energy production (electricity, methane extraction), transport and services, trade and the chemical industry (perhaps it would be important to note that although E. ON Gaz is registered in Tîrgu Mureş, the main extraction takes place in the west of the Mureş, around Mediaş).

In Gheorgheni, the dominant industrial branches are that of the exploitation of timber and constructions – except for Borsec mineral water factory, which is at the same time the largest firm in Harghita county). Of course, the bottling of mineral waters has a tradition in Ciuc, especially in Sâncrăieni and Băile Tuşnad. The Ciuc chair has a colourful economy, with significant services, wood exploitation and furniture production, construction and light industry – metals and plastics. In Odorhei – naturally the textile industry is producing the highest income, like the exploitation of timber, small and food industry transport (production and marketing).

Three Chairs sees their future in the food industry – especially in dairy products, but textiles and clothing are more significant than in Odorhei. The services are still present-trade and – together with the Ciuc Chair – agriculture. From a revenue point of view, of course, the energy sector presents the highest income, even if very few firms are represented (which is not surprising, because the energy sector is a segment with intensive use of Capital). They are followed by the chemical industry (again, most thanks to a few huge firms), and then together the food industry, trade and small industry. The services sector, the bottling of mineral water, the textile industry and the constructions are of similar size.

In Harghita county, as for the natural and human resources, the county's economy presents a very varied image and hides huge opportunities for development. The economy depends heavily on forestry and wood processing, and food and light industry. Even though trade and services does not hang heavily in the county economy are considered, economically, the areas with the strongest development. Most commercial and service units are managed by private equity, which plays an increasing role in the county economy. The beauty of landscapes and natural rarities conceal large and unused opportunities in the development of tourism. Thermal waters and climatic features present countless possibilities for the construction of new spas.

The forest gave that replacement product, with which the population established here could procure the other essential commodities of living – cereals, other products – especially from the outer vicinity of the Oriental Carpathians (Ciuc and Gheorgheni), respectively from inner Transylvania. In the early decades of the twentieth century, forest holdings were already in the order of the day, sadly irrationally conducted, without care. The exploitation and processing of wood, namely the furniture industry, is also seen today as one of the dominant industrial branches, whose centres are at Odorheiu Secuiesc, Miercurea Ciuc, Gheorgheni, Gălăuţaş and Topliţa.

For a long time, it could be said that the extractive industry was one of the most important resources of the county. Copper ores from Bălan, iron from Lueta, salt from Praid, methane gas from the area Cristuru Secuiesc, Borsec's coal, uranium vein from Tulgheş and andesite mines scattered on the slopes of the volcanic chain served in the years 70 to some bold projects, but after barely 10-15 years it was discovered

that they proved to be too bold, because either the reserves were emptied or the technology used was outdated.

The iron mine in the Lueta that fed the furnaces in the Lueta Mines was emptied in the 80's, keeping it for many years by socialist considerations; The copper ore processing mining company in Bălan, with the opening of a new, important copper vein could be one of the country's major mining holdings for a short time; the industrial salt processing of Praid has narrowed further, for local processing, no serious and justified projects were ever prepared. The coal in Borsec, although of excellent quality, has been limited by extraction possibilities. Stone quarries, namely the exploitation of kaolin and dolomite, try to survive by operating in an economical way, due to the relative stagnation of national investments, namely the steel and metallurgy industries.

Neither the garment, textile and footwear manufacturing industry have been shielded from the effects of the economic crisis. In recent years it was followed by a relatively regression of reinvigoration, especially as a result of deterioration in the market situation of foreign customers.

Maintaining at a relatively unchanged level, the development of the food industry (dairy, bottled mineral water, butchery units) can still be planned.

The traditional industrial branch of the county is agriculture. The agricultural area of Harghita county is 406.4 thousand ha, of which 92.7 thousand ha arable, i.e. about 1.15 ha calculated on an individual. The 312.3 hectares of grassland provide adequate conditions for livestock farming, which today is one of the main means of living of the population. According to the topography varies the plants, and thus in the area Odorheiu Secuiesc and Cristuru Secuiesc are favoured cereals, vegetables, sugar beet, and potatoes respectively. In the Ciuc, Gheorgheni, Toplița areas, the emphasis is placed on winter wheat, barley, potatoes and sugar beet.

Livestock growth is now one of the main occupations, even though livestock has fallen significantly over the last period. Small trade has a steadily decreasing trend lately, budget subsidies, maintaining the level of commercial taxes – especially in the case of basic food – adversely affects profitability capacity, and the purchasing power of population. The selling of vegetables and fruits in traditional markets has decreased heavily, especially in the case of locally grown varieties, while the percentage of imported products has increased. Small shops – especially food trading – after the impetus from the beginning, had an intense decline, many stores of this kind were closed, on the one hand due to the decrease in purchasing power, and on the other side of the aggressive expansion of bigger stores.

The economic life of Covasna county is characterized by the free market competition between economic actors – private entrepreneurs, family associations, trade associations, SME, and multinational and large companies. Here runs in open setting, many industrial, commercial, service, tourist, agricultural, logistics and mining activities, respecting the basic laws of the western-type market economy, and the rules of demand and offer manifested spontaneously.

The economic units in Covasna county comprise virtually every area of the national economy, and in

compliance with the requirements of the free market, depending on the science of management and skills of the strategy specialists, with the proper harmonisation of the production factors, are striving to ensure the increased needs of consumers at a high quality and technical level, corresponding to the purchasing power of the region's inhabitants, at affordable prices.

Although in the period after the change of regime Covasna county industry suffered significant losses, it is worth remembering the timely emergence of foreign capital investments, which targeted the skilled and inexpensive workforce, compared to the European average, the more bearable burden of taxes and much lower operating costs, for example in the garment industry. Thus, it was possible that several trouser factories were built in Covasna county.

Under such a light, we can appoint Covasna county as the "Valley of Trousers", but good results can also be seen in other branches of the manufacturing industry. But the economic area full of hopes of Covasna county is tourism, where a greater emphasis must be placed in the future.

Also, the branches of success include the wood, furniture and timber industry, the printing industry, packaging materials and the food industry. The textile industry has also become known as the development engine in the whole of Szeklerland.

In addition to the manufacturing industry an important role has the *extractive one, private farms and private enterprises*, but of no less importance are *agriculture and forestry*, functional are also retroceded composesorates, through which the future of the forest of Covasna county is ensured to a significant extent.

Agricultural production, which has two performing sectors, plant cultivation and livestock farming, must also be considered. And if the conditions for grain cultivation are generally weaker in the Szeklerland than the national average, event then the Sepsi Chair and Three Lower Chairs play as grain cultivators, and Târgu Secuiesc as sugar beet growers and potatoes, their areas of plain can be considered exceptions for the cultivation of some cereals.

In Covasna county players in the trade market play also an important role. Also, the representatives of financial services are in possession of very positive results. Many banks and insurance companies operate in the county. If we analyse the size of each inhabitant's bank deposits, the distribution of credits granted, i.e. the proportion of the population holding a bank card, Covasna county is placed around the national average, from this regard.

Regarding the activities in the field of movement and communication, important changes have taken place in both the circulation and communication branches. The county has developed fixed and mobile telephony services.

In the human services sector, education is developed on each level, higher education institutions have modern centres, and in Sfântu Gheorghe were built two university campuses (Faculties of the Babeş-Bolyai University, and Sapientia University of Sciences). Wings has caught the scientific research and technological development, and today Covasna county has a modern health network.

Construction and extractive works are carried out at the sand and stone quarries of the county, and unfortunately, at some point, the international financial and economic crisis has put its mark on the economy of Covasna county, but their effects are decreasing, since the official unemployment rate in the county is 4.25% and has a downward trend.

The economic indicators of Mureş county clearly mirrors the situation of post-socialist countries, because Mureş county, who had an important industry in 2008 produced only 29% of GDP in the industry, while the value of the services and construction increased significantly. Today the county is characterized by the post-industrial economy. Many also say that of 12,000 registered economic companies, 35% are dealing with trade. The number of firms with over 250 employees is 43, which operates in the field of gas, supply of electricity and water.

As for export products, 25% of products manufactured or cultivated in the county intended for export originate from the chemical industry, and what is worrying is that the percentage of agricultural products and raw materials is only 2%. Compared with national indicators, Mureş county is delayed in the export sector. Compared with data from 2001, the export value doubled, but is significantly lower than the one of the developed counties of Romania.

*There are six important industrial areas in the county, especially in the outskirts of larger cities:*

- In the industrial area Tîrgu Mureş operates companies specializing in: chemical industry (fertilisers – ex. AZOMURES S.A., Pharmaceutical – ex. Gedeon Richter, Sandoz, Bioeel, etc.), food industry (brewery – Ex. Heineken, dairy – ex. Hochland), furniture (e.g. Mobex), textile industry, production of prefabricated construction.
- In the industrial area Reghin activates companies in the fields of wood and wood products (musical instruments, furniture), respectively in the field of clothing.
- In the industrial area Sighișoara we find companies in the fields: food, ceramics and textiles.
- The Luduş-Iernut industrial area is found in the 800 MW thermal power plant, which is administered by ROMGAZ Mediaş and a sugar factory.
- The Târnăveni industrial area is occupied by companies in the fields of construction, glass, wood processing and food industry.
- In the industrial park of Vidrasău near Tîrgu Mureş, (administratively belongs to the municipality of Ungheni) activities are carried out in: wood processing, production of automotive parts and textiles. The majority owner of the Vidrasău Industrial Park is the Mureş County Council. The park, with its surface of 40.9 hectares and its favourable infrastructure, provides 1,700 jobs and can develop further.

Vine making, it has a long tradition in the county. Among the development factors of the cultivation of vines in Transylvania, there are the establishment of Sasses in the area throughout the XII century. The Germans originating from the valleys of Mosel and Rhine are relocated by the arpadian kings to Alba Iulia (Ighiu and Cricău), Aiud, Orăştie, Sebeş, Sibiu, Brasov and receive numerous privileges – including tax relief and customs taxes on grapes – which benefits them. The region between Târnave rivers and Mureş is listed in the map that will be pulled over the next centuries, as an expression of the name of Weinland (wine

country).

In the valley of Târnava Mică we find today revived vineyards, which strive to keep up the market with quality products. However, it would be necessary to create a wine-road and establish within it an accessible micro-region, which, together with the development of rural tourism, have a growing effect on the local economy. The creation of the wine-roads stimulates the production of quality wines and provides a place for family associations. The wine-road is a kind of wine culture school, whose science contributes to improving the quality of life.

### **3.4.3 Necessary measures and economic revival programmes, corresponding material resources analysis**

Regarding the Szeklerland, in the interest of the region's ascension, we need to apply a development scenario with a set of harmonised means and instruments.

We have organized the intervention system formulated by us in four program packages. The programmes related to the branches of the Szeklerland focus on those economic areas that are the most promising in terms of economic development (of strategic importance): the production of quality food, the wood industry and tourism, and the development of human resources to ensure market competitiveness. These are areas that have basic local resources, significant regional reserves, and which, with an appropriate emphasis, can evolve as industrial branches with traction effect on other sectors. For the advance of the three areas are favourable also the global trends, if we only think about the dynamization of the global market demand for quality food, the implacable increase in the hotel domain or the needs of alternative systems of energy. Local possibilities and competition of these global needs are a historic opportunity for our region. From here will have to win the Szeklerland.

#### **Agriculture**

Szeklerland's particular topography, climate and production relationships do not allow a quantitative competitive agricultural production. At the same time, the proven high biodiversity characteristic of our grassland and meadow, the forms of live agriculture, traditional and close to nature, offers new possibilities: the opportunity for quality food production. We must overcome the impasse of unprofitable agricultural production, to the production of quality food. Healthy local food characterized by high quality, improves the quality of life of the local community, and the surplus can produce a significant profit for the locals. Quality food production involves the implementation of comprehensive development programmes of the entire agrarian production chain – production, processing and recovery – programmes that simultaneously pay attention to the sustainability of agricultural production of the raw material needed for quality food, to increase added value during processing, and to support the building of delivery networks to regional and external consumers. With increasing the processing of our agricultural products, we can provide our region with greater added value and higher profit. As a result of increased food production, the demand for raw material will increase, which will stimulate farm production, ensuring a predictable profit. Meanwhile, the agricultural potential will be capitalized to an increasing extent, and the proportion of areas removed from production will be decreased.

One of the disadvantages of private farms and SME in Szeklerland is that the value of agricultural production in small quantities or the value of bred animals is very far from the profitable operation of the farm. To eliminate it, the most effective solution would be cooperatives, that is, the association in groups of interest of farms.

In Szeklerland is needed the creation of agricultural cooperatives, which rely on the performing branches of local agriculture. In this respect, according to our proposal, a legal person is needed, to answer to market requirements, to have adequate management, which ensures the members with market and profit security. Such an integrative force could be the so-called agrarian parks formed in several points of the Szeklerland.

In view of the characteristics of the micro-region and based on the economic principle of optimal use of the recovery chain, in the Szeklerland the cooperative system would be profitable in the following agricultural fields:

- **Dairy Associations**: Today in Szeklerland there are four dairy associations, in which 20 thousand litres of milk are processed daily and currently has about 800 farmers as members. There are two functional units: in the chairs Odorhei and Ciuc, and a unit planned in Three Chairs. In order to extend the current takeover capacity, based on good practices, it would also be necessary to co-opt farmers from Mureş county.
- **Associations of livestock breeders**: Following the trends of the global market, a planned animal husbandry programme would be needed, namely the inclusion in the strategic planning of the processing facility, the refrigeration houses.
- **Associations of grain producers**: In the cooperative form, the crops of small farmers can be also sold at a better price, the cooperative could determine the optimum needs of the annual harvest and its recovery. For this it requires regional silos, warehouses.
- Given that in the Szeklerland today there are 500,000 hectares of grass-covered surface (pasture and meadow) which are privately-run, it would be cost-effective to create a good, centralized grazing plan and possibly to create a unified pasture base.
- Cooperative networks to support the market access of local products, the establishment of daily markets.
- **Setting up the Wine-road**

The tradition of forestry stretches away in time, but unfortunately the region's economy does not feel the effect of income from harnessing timber, because the exploitation of wood today means the sale of raw wood, i.e. the cheapest solution. Given that forestry wealth is a resource that also establishes national identity and is at the heart of public attention, it would require a forestry strategy of the Szeklerland. In Szeklerland, there are 250 composesorates, i.e. these legal persons manage privately owned forestry areas. Since we are talking about a total of 500,000 hectares of forest, it is clear there are too many composesorates and so the resource management is crumbled. It would be appropriate to set up a so-called Forestry Fund, which would gather forest owners in Szeklerland or take over the forestry surfaces

offered for exploitation, thus creating a unified market, i.e. they would no longer seek the sale of raw material but would increase the income of the owners by leveraging processed products.

### **Business development**

Most businesses in Szeklerland, although they work on profit, do not have the necessary capital force to expand. That is why financial market measures are needed to ensure that companies have access to capital, thereby reinforcing their integrator role in the region and increase employability. Such a capital infusion could be the provision of investment support in the form of non-refundable financing or advantageous interest and preferential lending.

The areas of action of these financing and businesses should be defined according to the branches of the economy, whether we think of industrial, agrarian, or even handicrafts products, which are able to perform an integrator role in the region and to capitalize on the advantage achieved on the financing path, so that the effect is felt by employers, carriers and subcontractors in the region.

The ability to adapt to competitive market requirements may well be one of the guarantees of the development of the Szeklerland, permanent labour insurance with appropriate training and competences, namely to support the manifestation of talent and innovations. In this respect, those structures and preparatory mechanisms, which can ensure, partly outside formal education frameworks, partly in collaboration with them, must be built, the permanent availability of competitive workforce, the use in the region of talents and new initiatives, balancing the attractiveness of the stronger economic centres.

Such a measure could be the *Development programme of the human resource < for a competitive workforce >* ", which aims to create the structure and mechanism that are able to ensure the development of the competitiveness of the workforce in Szeklerland, creating synergy with Hungarian education. The programme's target groups would represent secondary or general school pupils who learn in Hungarian (especially those who in terms of graduation advance in classes 8 and 12 within a specified period), those who study in the specialized training system, beginners in university education (focusing on the participants in the courses of natural sciences), namely the interested teachers, and participants in the forms of post-preparation in the adult education system. Institutions involved in the implementation of the programme: church educational institutions, local governments, pedagogical organisations, NGO with activity in the field of education, economic actors interested in the training of the workforce. Following the example of the Szeklerland, the results will be easily multiplied throughout Transylvania.

Nowadays, in the case of business development and the creation of new business, innovative thinking is indispensable, identifying innovative solutions. Under the innovation programme, economic actors would be stimulated to identify new solutions, young talents, and thus ensure a competitive presence on the international market as well. Such a method is the *Bridge Innovation program of the Szeklerland*. The innovative potential of the Szeklerland is exploited to a very small extent and put in the service of the economic development of the region, while the economic problems caused by the emigration of talents are well known. There is a possibility that the talents in the Szekler realm can unfold within the region. The program creates the system of means for this, by processing the talent map of Szeklerland, and linking

innovative initiatives in the Szeklerland with the Hungarian start-up system, mentoring, development and access to capital, for innovative businesses in the Szeklerland.

## **Tourism**

Szeklerland has a touristic cultural, architectural and natural heritage. These include the topography, climatic and bioclimatic potential, hydrographical potential, historical-cultural institutions, urban and rural architectural heritage, cultural events requiring tourist interest, namely the Folk potential. During the last period, many tourism initiatives have been carried out, field that is considered, both in the specialty and political discourse, one of the strengths of the economic development of the Szeklerland. Despite good initiatives, with small steps, the performance indicators of the domain cannot be seen appropriate at all. Efficient valorisation of tourism potential demands the implementation of infrastructure development programmes and the tourist superstructure. In this respect, infrastructure investments are needed in the Szeklerland, i.e. the creation of new accommodation units, the legalisation of rural tourism and natural tourist attractions, as well as the diversification of the offer of programmes.

An obvious possibility of regional development is the spa tourism, which stems from the relief of the Szeklerland. Treatment with salty waters, extraction of mofetta and mineral waters are all such natural potential which, which, after planned investments at the appropriate regional level, can constitute a long-term economic advantage of the area.

Should be considered, during the development and expansion of both spa tourism and accommodation for relaxation near nature or urban, the fact that tourists must be offered programmes and can therefore redirect these revenues for further development of the economic branch. Although there are more and more so-called SPA and wellness centres in Szeklerland, the offer is still not enough to meet market demands. In addition to these thermal complexes, it is worth to design even seasonal, water parks or other establishments, which would further increase the current offer of water tourism.

Gastronomic and wine tourism are still not the strengths of this region, although the actors involved in tourism must acknowledge that visitors are more interested in local culinary life, wines, spirits and beers produced along the history and gastronomic diversity, than differs the menus available in every settlement of the globalised world. For the evolution in this direction, the offer must go through a significant development, but extending the possibilities of accommodation small accommodation, agritourism, agropensions, eco-tourism on the principles of relaxation in the proximity of nature, would mean an important step in this area. Here it is important to remember that the formation of value chains and a coherent planning would be the right steps, because if the dairy products of the local farmer, the products of the local craft arrive in the accommodation offer, then each actor wins and the Szeklerland could satisfy that market requirement, which is based on quality and not quantity.

However, it should be remembered that the area of architectural heritage is unique, because untouched villages, curies and secular castles are an unexplored potential that can bring economic advances. In this sector it would be profitable to process a common perspective with private property owners, because their economic interest coincides with the strategic requirements of development of the region, and thus through common directions should identified the optimal investment. The real estate of the restitution of



historical families in the Szeklerland is important today, these buildings today establishing the identity, the attractiveness of the Szeklerland.

#### 4. Summary

Knowing the social and economic relations of the counties presented in the present document, it can be said in summary that the Romanian territories inhabited by the Hungarians, that is, in the case of areas analysed by us, is in a very high demand of a package of well-thought economic measures, that, with dedication, improves the problems of the Hungarian families living here and which ensure, through the effect of economic revival, their remaining and their flourishing in the native lands.

Given that the analysed territory stretches over the surface of 16 counties, and is therefore placed on the levels of varied colours and levels of development, we do not recommend its development on the basis of unitary decisions, but on the basis of a construction from the ground, while mapping local needs, it is necessary to establish the programmes, actions needed, broken down by the four analysed regions. This activity must be based on scientific substantiation, transparency and equal approach, as the stated aim of the plan, that the economic revival effect affects every Hungarian family in Romania, in a certain form and measure.

Based on the above, in the case of Romanian counties inhabited by Hungarians, namely in order to improve the economic situation of the Hungarian inhabitants of the counties mentioned, we propose, in the long term, the following important areas of action Strategic guidelines, i.e. complementary strategic directions:

- The preparation and long-term management of a predictable, sustainable and transparent financing system for the purpose of obtaining the conditions for the survival and prosperity of economic actors and the Hungarian population on their native land
- Establishing and administering, through a local body with extensive legitimacy, a comprehensive development strategy to eliminate conceptual and coordination gaps in economic development
- With a view to intensifying and emphasising relations between Hungarian communities and economic actors with the motherland, closer interconnection of trade relations between local and Hungarian economic actors
- Establishment and support of diverted, differentiated, regional development from grounds based on local resources, with a view to local economic development and the community's prosperity
- Harmonisation of economic development and human resources, with a view to increasing the potential of Hungarian human resources in Romania.

*To achieve the strategic goals, we propose the following short-term measures:*

- *Adopting the political decision to ensure the financing system*

The present document is the motivation of the Hungarian government's decision, which, through the present plan, creates a programme to support the economic revival for the Hungarian citizens who have a Romanian home.

#### *Choice of Romanian partner organisations for the financing system*

On the basis of a previous decision of the Hungarian government, the aims and methods of the so-called "Mureş-Plain" pilot programme for economic development corresponds to the above purposes and that is why the institutional structure already processed and approved for this model, i.e. the foundation established for this purpose, which bears the name of the PRO ECONOMICA FOUNDATION, which has its seat in Tîrgu Mureş, can be a coordinating centre suitable for the whole programme at national level.

The foundation, as a legal personality, must be allocated the funding framework amount, and the foundation would be responsible, according to the objectives and guidelines of the financier, for the use of funds through funding projects. The preparation of auctions for financing, the conduct of evaluations, administration of the monitoring system would be the task of specialists employed by the foundation.

In addition to the central structure, in order to operate efficiently at regional level, it will be necessary to establish territorial offices, whose exact locations and operating parameters will become known concurrently with the drafting of Funding, as they cannot now be established based on uniform criteria.

#### *Detailed, professional drafting of the financing system*

We propose the use of funds approved by the Hungarian government in several instalments in order to achieve the objectives, both in the short and long term. On the one hand, the allocation of amounts in the form of grants, on the other hand, the use in the form of preferential interest/loans, i.e. spending funds based on bilateral agreements concluded with one or more commercial banks. Preferential bank loans may intensify the economic revival effect of the amount given and this means of support can result in the consolidation of medium-sized or large local enterprises, increasing their competitiveness and thereby producing an inertial economic effect in the micro-region.

We propose that the framework amount necessary to achieve the objectives of the Kós Károly plan, based on the exhaustively and long-term nature of the development programme, namely the number of the Hungarian population to be supported and the size of the territory, should be at least 100 billion forints, containing both non-refundable financing, the financing of preferential interest/loans and the costs of the legal entities administrating them.

Therefore, we propose the implementation of the programme in a step-by-stage basis and, based on the priorities set out, the multiannual distribution of the necessary resources. Given that the proposals of the first line of funding projects of the pilot programme are likely to design the measures necessary to carry out the whole, national programme, we propose that the detailed action programme be drafted as quickly as possible, which, on the basis of the guidelines of this programme, should establish the forms of funding

and thus, in the second half of 2017 to be accessible part of the so-called Transylvanian fund. Thus, for the immediate period, that is to say, for budgetary years 2017-2018, it would be necessary, in accordance with our proposal: a budgetary framework of 5 billion forints for the financing of interest/preferential loans; 15 billion forints for large investments in agriculture and industry (integration actors); 10 billion forints to support projects aimed at economic development goals and for the development of competitive workforce, talent and innovation support; 1 billion forints for operating costs.

#### *Initiation of the financing system*

In the spirit of the decision of the Hungarian Government, following the above measures during the year 2017, will be initiated the economic development programme for the Romanian regions inhabited by Hungarians.

The newly drafted Kós Károly plan aims to establish the orientation of the future detailed economic development programme, i.e. those main development objectives through which in the economic indicators of Romanian localities inhabited by Hungarians, namely the historical regions of Banat, Transylvania, the Szeklerland, Partium, the results of the distribution of funds set by the plan can be measurable. This is precisely why the detailed action plans have not been formulated, i.e. not the concrete forms of funding and resource allocations, but we have tabled proposals for the necessary measures, based on the conclusions of the global analysis of the given region, in a wider sense.

The completion of the final programme of action, established through the principles of this plan may be possible through cooperation between the Hungarian Government, the Democratic Union of Hungarians in Romania, representatives of the historical Hungarian churches in Transylvania, respectively the association of Hungarian Farmers in Romania and the Hungarian Business Association of Romania, and by compulsory co-administration of each body necessary to formulate the necessary proposals and measures, In accordance with the intended purpose, it is possible to take forward proposals for economic revival as extensive and multiplier-effect.

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