THE LISBON TREATY AND ITS CONSEQUENCES FOR RURAL DEVELOPMENT AND SUSTAINABLE TOURISM: A CASE STUDY OF ROMANIA

Abstract

With the entrance into force of the Lisbon Treaty on 1 December 2009, the European Union (EU) has now more tools to deal with a scenario of 27 Member States with specific regional characteristics and different needs in the fields of rural development and sustainable tourism. An important incentive to sign the Lisbon Treaty on 13 December 2007 was the accession to the EU of twelve Central and European countries in recent years. Romania is one of these States. This country has a huge touristic potential and, at the same time, is one of the poorest EU Member State.

Against this background, this paper will examine, firstly, the Lisbon Treaty novelties on rural development and sustainable tourism, paying special attention to the new Policy created specifically for tourism; secondly, it will address the EU legislative and policy frameworks in these two fields and the financial instruments that Romania is entitled to and that it could use to promote rural development and tourism; and thirdly, the paper will focus on the Romanian regulation on rural development and sustainable tourism in order to critically assess the extent to which rural development and tourism have been linked at a domestic level. The final goal of the paper is to assess whether Romania is provided with the necessary legal tools to take a strategic decision about how to develop its rural areas through, amongst other factors, tourism.

Key words: Lisbon Treaty; Romania; rural development; sustainable tourism.

1. Preliminary remarks

On 1 December 2009 the Lisbon Treaty entered into force. Thus, several years of negotiations related with the necessity for reform of the institutional issues and the European Union (thereinafter, EU) policies ended. The Lisbon Treaty amends the current EU and European Community (thereinafter, EC) Treaties. Therefore, nowadays there are a new and reformed Treaty on European Union (thereinafter, TEU) and the Treaty on Functioning of the European Union (thereinafter, TFEU). The last one has replaced the EC Treaty, which had been amended for the last time in Nice in 2001.

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An. Inst. cerc. ec. "Gh. Zane", t. 19, Iași, 2010, p. 27-42

The EU has expanded eastwards with the addition of twelve new EU Member States in 2005 and 2007. Nowadays, the Union is at a crossroads and it is currently facing, among other things, the requirement to adapt to the new Cohesion Policy outlook between their borders. So, the EU has to decide itself between the need for structural funds of newcomers (the most part of the regions of the new Member States have a per capita Gross Domestic Product (thereinafter, GDP) below the EU average), on one hand, and "to defend" the interests of the "old" Members, especially so-called "cohesion countries" as Ireland, Portugal, Spain or Greece, for example, on the other hand.

The rural development Policy has a huge role to play at the EU level and its strengthening is one of the Union's priorities. The reason is that over 56% of the Union's population lives in rural areas, which cover over 91% of the 27 Member States territory. Now, with the Lisbon Treaty entered into force, the EU seems to be provided with the legal framework and the tools necessary to respond to its citizens' demands and to meet future challenges as the Lisbon Strategy for growth and jobs and its Göteborg Strategy for sustainable development settle. And this is especially more relevant in these times of crisis, when it is expected that the Union together with its Member States will double their efforts and develop the right strategic framework for restoring long-term economic growth.

As it is well known, tourism forms a basic activity of rural development and plays a vital role in the development of the vast majority of European regions³, making a considerable contribution to the objectives of convergence. It also is one of the most promisiong sectors for the renewed Lisbon Strategy.

In our opinion, this context is a challenge for all the Member States recently entered into the "European family", in general, and for Romania, in particular. This Balkan country is in a privileged position. It has a huge touristic potential, being the second largest new Member State, after Poland.⁴ Agriculture represents the basic pillar of Romanian economy (it represents 18,5% of Romania's internal gross income) and that the agricultural sector is more important than in most Member States (Romania's total agricultural area is 63% of its total territory).⁵ With

³ For more details, *vid.* Naghiu, A.; Vázquez, J.L.; Georgiev, I.: "Rural Development Strategies through Rural Tourism Activities in Romania: Chance for an Internal Demand?", *International Review on Public and Non Profit Marketing*, vol. 2, n° 1, 2005, p. 85.

⁴ Romania's territory covers 6% of the EU surface.

⁵ Vid. Here, C.; Kleps, C.: "Main issues of environment protection in Romanian agroecosystems in the context of global climatic changes", Union of European Academies

32% of the population employed in agriculture and forestry, it has contributed to 12.1% of the GDP in 2006. Finally, rural areas cover 87.1% of Romania's territory⁶, and rural population represents 45.1% of the total population.⁷ In economic terms, it is one of the poorest EU Member States with less than 1% of the total Union's GDP. But, in recent times and before the international economic and financial crisis, the primary sector has been growing constantly.⁸ At the same time, Romania is the EU Member State that most employs in tourism (30%)⁹; in terms of value-added, the Romanian primary sector reached 8.8% of its GDP¹⁰; and Romania GDP is 34% of the EU-25 average...¹¹

Another important aspect is that Romania is considered to be the Eastern and Central European State with the highest level of biodiversity. Its geographic wealth includes: the Carpathian Mountains (which represent about 30% of the national territory); the Danube Delta Biosphere Reserve (that forms the most important wildlife area in the whole of Europe (its surface being about 5,000 km², of which 4,340 km² in Romanian territory¹²); and about 7 million ha of forestry (28.3% of total national area).

⁷ Romania's population is about 21 million peoples.

for Science Applied to Agriculture, Food and Nature"; available at http://www.euracadagri.org/eng/activities/yalta_doc_ro.php

⁶ Romania's territory is 238,000 km².

⁸ For example, in 2006 Romania grew 7.7%. This has been one of the highest rates of economic growth registered in the area.

⁹ The United Kingdom is the EU Member State that less employs in tourism (1%). Generally speaking, tourism employed 12.9 million persons in EU-27 in 2006, representing 6% for the EU-27 in terms of employment. *Vid.* European Commission: "Rural development in the European Union: Statistical and Economic Information. Report 2009", Directorate-General for Agriculture and Rural Development, December 2009, p. 10.

¹⁰ "In terms of value-added, the EU-27 primary sector reached around 179,5 billion euro in 2006 and accounted for 1,7% of GDP, ranging from 0,4% in Luxembourg to 8,8% in Romania". For more details, *vid.* European Commission: "Rural development in the European Union: Statistical and Economic Information. Report 2009", Directorate-General for Agriculture and Rural Development, December 2009, p. 10.

¹¹ Nevertheless, the rate of inflation is still high (6.56% in 2006), far from the guidelines laid down by Maastricht, which asks for 2.5%, although it has moderated significantly in the last few years (it was as high as 17.8% in 2002). Likewise, it must be pointed out that the trade deficit reached 11.6% of GNP, while public and private expenditure are growing steadily.

¹² For more details on the Danube Delta as a touristic destination, *vid.* Hall, D. and Kinnaird, V.: "Ecotourism in Eastern Europe", in Cater, E.and Lowman, G. (eds.): *Ecotourism: A Sustainable Option?*, Ed. John Wiley & Sons Ltd., 1994, pp. 128-132; Government of Romania (Ministry of Environment and Sustainable Development) and United Nations Development Program (National Centre for

Against this background, the Lisbon Treaty creates a new legal basis entirely devoted to tourism, which should reinforce the EU as the most important destination of the world. For the first time, this Treaty will give a specific legal basis to tourism within the Union (2). These new provisions will accompany, on one hand, the EU legislative and policy frameworks referring to rural development and sustainable tourism (3) and also the Romanian regulation in this area (4).

2. The Lisbon treaty novelties on rural development and sustainable tourism

The European Commission has put tourism on its policy agenda only recently. So, on 21 May 2002, the Council adopted a Resolution on the future of European tourism.¹³ This Resolution stressed the economic importance of tourism and the need to strengthen its political recognition at the EU level due to its transversal nature. It recognized that tourism normally is affected by numerous Policies (such as transport, environment, the new information technologies, food, energy and tax matters), which have a direct effect in this area.

Till 1 December 2009, there was no common tourism Policy.¹⁴ However, Article 3.1.u) EC Treaty foresaw that the EU activities should include measures in the sphere of tourism, in order to achieve "a high degree of competitiveness and convergence of economic performance, a high level of protection and improvement of the quality of the environment, the raising of the standard of living and quality of life, and economic and social cohesion and solidarity among Member States."¹⁵ However, tourism remained a competence of the EU Member States.

It is worth to underline that, before the entrance into force of the Lisbon Treaty, tourism, unlike for example in transport or agriculture, was not a matter communalised at the EU level in the sense that there was no harmonized legislation (regulations, directives or decisions) establishing rules applicable to all Member States and of its own. In that context, the European Commission published in 2006 a Communication regarding a renewed EU tourism Policy¹⁶, trying to revitalize this sector

Sustainable Development): "National Sustainable Development Strategy Romania 2013-2020-2030", Bucharest, 2008, p. 20.

¹³ *OJ* C 135, 6.06.2002, pp. 1-3.

¹⁴ For more details, *vid.* Juganaru, M., Juganaru, I.D. and Kamer, A.: "Romania and the Policies Regarding Tourism in the European Union", *Management and Marketing*, vol. XVI, nº 1, 2007, p. 1285.

¹⁵ Article 2 EC Treaty.

¹⁶ COM (2006) 134 final: Communication from the Commission – A renewed EU Tourism Policy: Towards a stronger partnership for European Tourism, Brussels, 17.03.2006.

and make it more dynamic as a component of different Union's policies and activities.

Nowadays, with the Lisbon Treaty, the EU has taken a major turn. The TFEU includes specific provisions relating to tourism which had been inserted in the former draft Constitutional Treaty¹⁷ - Article 195 TFEU, which foresees:

"1. The Union shall complement the action of the Member States in the tourism sector, in particular by promoting the competitiveness of Union undertakings in that sector.

To that end, Union action shall be aimed at:

(a) encouraging the creation of a favourable environment for the development of undertakings in this sector;

(b) promoting cooperation between the Member States, particularly by the exchange of good practice.

2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish specific measures to complement actions within the Member States to achieve the objectives referred to in this Article, excluding any harmonisation of the laws and regulations of the Member States".

Besides this Article 195 TFUE specific for a Policy on tourism, Article 6 TFUE also establishes that the EU shall have competence in this area "to carry out actions to support, coordinate or supplement the actions of the Member States".¹⁸ Thanks to this new framework, the 27 Member States may adopt common policies in the filed of tourism and support sustainable tourism and social tourism. On the other hand, the EU will sustain initiatives of Member States and promote the cooperation between them, but it is prohibited to harmonize their National Laws. At the same time, we have to underline that the EU measures in tourism can be taken by qualified majority by the Council and the European Parliament. In our opinion, the EU can give a real support for promoting sustainable competitiveness of tourism business and now there are real opportunities for growth provided with sustainability criteria.

In our opinion, this advance in the regulation of tourism matters is accompanied by new provisions settled by Article 174 TFEU (ex Article 158 EC Treaty) regarding the Economic and Social Cohesion. The Lisbon Treaty gives a step beyond by providing that in this field "particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and

¹⁷ Treaty establishing a Constitution for Europe, *OJ* C 310, 16.12.2004.

¹⁸ The other areas where the EU will have competence to carry out actions to support, coordinate or supplement the actions of the Member States are: protection and improvement of human health, industry, culture, education, vocational training, youth and sport, civil protection and administrative cooperation.

permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions".¹⁹

3. The european union legislative and policy frameworks regarding rural development and sustainable tourism

In addition to the provisions of the Lisbon Treaty in this regard, the EU has been provided with a specific legislative and policy frameworks on rural development and sustainable tourism. Thus, the EU regional Policy aims to reduce the gap between development levels of various regions and the backwardness of the least advantaged, to strengthening the economic, social and territorial cohesion of Europe.²⁰ The tourism activities seem to be at the core of this regional Policy (3.1). And while there is a EU rural development Policy at the EU level, the 27 Member States and European regions still have an important role to play regarding the control of the rural sector; furthermore, the rural development Policy is funded both by the EU budget and by individual Member States national or regional budgets; in this sense, we will pay special attention to Romania (3.2).

3.1. The linkage between the common rural development policy and tourism

The EU rural development Policy is based mainly on three legal instruments: *Council Decision 2006/144/EC* on Community strategic guidelines for rural development (programming period 2007 to 2013)²¹, *Council Regulation (EC) No 1698/2005* on support for rural development by the European Agricultural Fund for Rural Development²² and *Commission Regulation (EC) No 1974/2006* laying down detailed rules for the application of Council Regulation (EC) No 1698/2005 on support

¹⁹ Article 174 TFEU (ex Article 157 EC Treaty) foresees: "In order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion.

In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions.

Among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions".

²⁰ For a detailed analysis on the linkage between sustainable tourism and territorial cohesion, *vid.* Committee of Regions: "Sustainable Tourism as a Factor of Cohesion Among European Regions", CoR Studies E-6/2006, Brussels, 2006, pp. 83-128.

²¹ *OJ* L 55, 25.02.2006, pp. 20-29.

²² OJ L 277, 21.10.2005, pp. 1-40.

for rural development by the European Agricultural Fund for Rural Development 23 .

Many of these provisions refer to tourism activities as a key part of rural development in the EU. For example, Council Decision 2006/144/EC that sets the Union's priorities for rural development between 2007 and 2013 has identified some key actions with the aim of improving the quality of life in rural areas and encouraging diversification of the rural economy, such as: *firstly*, raising economic activity and employment rates in the wider rural economy through tourism for instance as it offers opportunities both for on-farm diversification outside agriculture and development of micro-businesses in the broader rural economy; *secondly*, training young people in skills needed for the diversification of the local economy, which can tap into demand for tourism and other activities; and *thirdly*, encouraging the development of tourism as it represents a major growth sector in many rural areas and can build on cultural and natural heritage.²⁴

At the same time, the Commission Regulation (EC) No 1974/2006 mentions the development of tourism activities as a measure for improving the quality of life in rural areas and encouraging diversification of economic activity especially in rural areas.²⁵

3.2. The linkage between eu financial instruments and tourism in Romania

It is worth to underline that traditionally tourism has benefited from the financial support offered by different European financial instruments. The Structural Funds have played a significant role in tourism over the last two decades in many Member States. For example, it is estimated that tourism mobilized 15.5% of total expenditure from these funds in France for the 2000-2006 period. Some of these financial instruments – PHARE, ISPA and SAPARD – have been applied to Romania before its entrance to the EU as it has also occurred with the other Eastern and Central European countries which entered into de EU in 2005 and 2007. Furthermore, from 1 January 2007, as it is now a EU Member State, Romania is receiving economic assistance by means of the economic and cohesion Policy,²⁶ in accordance with agreements reached during its negotiations for accession.

²³ *OJ* L 368, 23.12.2006, pp. 15-71.

²⁴ Decision 2006/144/EC, *cit.*, point 3.3.

²⁵ Regulation (EC) No 1974/2006, *cit.*, points 3.1 and 5.3.3.

²⁶ On the new Economic and Cohesion Policy, *vid.*, among others, Bourrinet, J.: "Problématique de la Politique de cohésion économique et sociale dans une Union européenne à 27 membres", *Revue du Marché commun et de l'Union européenne*, N°

Therefore, between 2007 and 2013, tourism will be financially supported by the European Agricultural Fund for Rural Development (thereinafter, EAFRD)²⁷. In relation to this, it is worth to underline that in the programming period 2007-2013 considerable simplifications has been introduced. Thus, the previous 5 typed of programming have been reduced to a single one, and now there is a single financial management and control framework instead of three.²⁸ At the same time, as before 2007, every Member State must set out a rural development programme, which specifies what funding will be spent on which measures in the period 2007-2013.²⁹ A greater emphasis on coherent strategy for rural development areas across the EU as a whole is given for this new programming period, too.

The EAFRD is an important source of diversification of the rural economy, well integrated with farming activities.³⁰ In this context, tourism seems to be an important element of this new approach. Thus, this Fund shall support projects that encourage tourist activities as part of the diversification of the rural economy objective; and those studies and investments with the maintenance, restoration and upgrading of the cultural heritage. The EAFRD budget for 2007-2013 period is of 8.124.198.745 euro, of which minimum for regions under the convergence objective is 1.995.991.720 euro. It must be underlined that Romania is the fifth Member State that most will receive during this period, after Poland, Italy, Spain and Germany.³¹ And specifically, the actions of encouragement of tourism activities (under Axis 3) will receive appreciatively 21% for the total budget - 435.378.219 euro as EAFRD contribution; 544.222.774 euro as total public expenditure; 293.043.032 euro as private expenditure.³²

In this sense, it is worth to say that up to 26,3% of the financial means of EAFRD will be allocated to this Axis. It refers to: maintain and

³⁰ COM (2006) 134 final, *cit.*, p. 6.

³² *Ibidem*, p. 322.

^{507, 2007,} pp. 223-232; Jazra Bandarra, N. : "La Politique de cohésion dans l'Union européenne et l'enlargissement. Nouvelles orientations pour la période 2007-2013", *Revue du Marché commun et de l'Union européenne*, N° 496, 2006, pp. 177-188.

²⁷ Regulation (EC) No 1698/2005, cit.

²⁸ We refer to: the European Regional Development Fund, the European Social Fund and the Cohesion Fund.

²⁹ European Commission: "Rural development in the European Union: Statistical and Economic Information. Report 2009", Directorate-General for Agriculture and Rural Development, December 2009, p. 17.

³¹ European Commission: "Rural development in the European Union: Statistical and Economic Information. Report 2009", Directorate-General for Agriculture and Rural Development, December 2009, p. 20.

develop economic activities in order to increase employment (in this sense, rural tourism activities will be supported due to their positive impact through the creation of additional jobs); increase the attractiveness of the rural areas (by upgrading and diversifying tourism infrastructure and related facilities in order to promote a competitive rural tourism); and develop the skills and to stimulate awareness of the local actors (to develop the skills of the local actors in order to stimulate the organisation of the territory).

By 2007, the objectives of regional Policy has been refocused according to the revised Lisbon Strategy in 2005 on growth and employment and the management of the structural funds was changed significantly. Against this background, it seems important for the tourism expansion, necessary for the revitalization and sustainable development of the many fragile rural territories of the EU³³, in general, and of Romania, in particular.³⁴

4. The Romanian regulation on rural development and sustainable tourism

As we have explained in the previous part of this Paper, there are different and clear EU provisions that link rural development with tourism that can be applied to Romania. Now this new Member State is facing the challenge of adopting and implementing a national framework in these fields in its territory (4.1.), taking into account, on the one hand, the specific Union's legislation in these areas, and, on the other hand, its duties assumed during the accession negotiations to the EU (4.2 and 4.3.).

4.1. Incorporating sustainable development in the Romanian legislative framework

From the beginning it must be underlined that until 2007 Romania has lacked a well defined national strategy regarding tourism development. Furthermore, there is not any operational programme³⁵

³³ Guérin, M. and Steinlein, P.: *Le tourisme outil de revitalisation des territoires ruraux et de développement durable?*, La Documentation française, Paris, 2005, p. 173.

³⁴ Regarding the relationship between tourism and sustainable development, *vid.* Pérez-Salom, J-R.: "Sustainable Tourism: Emerging Global and Regional Regulation", *International Georgetown Environmental Law Review*, vol. 13, n° 4, 2000-2001, pp. 802-807.

³⁵ The operational programmes include the detailed investments which are to be done in different fields.

entirely devoted to this area either, although during the last years various Regional Operational Programmes (ROP) have been established in order to absorb the EU funds allocated for the period 2007-2013. These include different priorities and measures related to tourism development, with special attention devoted to cultural tourism.³⁶ Finally, in July 2008 the National Sustainable Development Strategy has been adopted for the 2013-2020-2030 period, which contains 3 strategic objectives for the short, medium and long term, such as: *Horizon 2013* in order to incorporate the principles and practices of sustainable development in all the programmes and public policies of Romania as an EU Member State; *Horizon 2020* needed for reaching the current average level of the EU countries for the main indicators of sustainable development; and *Horizon 2030* for getting significantly close to the average performance of the EU Member States in that year in terms of sustainable development indicators.

It also foresees a proposal for the creation either of a Ministry of Energies and Resources or of an independent office for monitoring and surveillance of the energy market. This Ministry could be created as a result of the reorganization of the Ministry of Economy and Finance. At the same time, several weak points have been identified that refer to regional development, and more specifically, to rural development, agriculture, forestry and fisheries.³⁷ Furthermore, the Strategy underlines that the legal dispositions, programming documents and executive decisions in these areas must comply with the EU Directives and regulations, as well as with Romania's national strategies sectorial programmes.

4.2. Rrural development and tourism governance in Romania

Recently, Romania has experienced important changes at its Government level. Since the end of 2009 it has a new Government and a new scheme of Ministers. Nowadays, Romania's managing authorities

³⁶ In this sense, *vid.* Constantin, D.L.and Mitrut, C.: "Strategies for Cultural Tourism, Sustainability and Regional Development. A Case Study in Romania", 47th Congress of European Regional Science Association, Paris, 2007, pp. 13-15.

³⁷ Such as, among others: the concentration of the economic growth and of foreign direct investments around the city of Bucharest and increasing disparities compared to the other regions, accompanied by worsening congestion of the capital; socio-economic decline of a significant number of larger cities and their diminished role in the development of the adjacent areas and of the regions; increasing demographic imbalances at regional level; loss of urban functions in many small and medium towns, especially in mono-industrial localities that were affected by restructuring and the resulting deterioration of social problems; re-emergence of the historical development imbalance between the Eastern and the Western parts of the country; limited experience and ability of local public authorities to manage complex sustainable development programmes including the economic, social and environmental components; etc.

related to the implementation of the EU policy referred to rural development and tourism are: the Ministry of Agriculture and Rural Development; the Ministry of Regional Development and Tourism; the Ministry of Economy, Commerce and Business; the Ministry of Administration and Internal Affairs, the Ministry of Environment and Forestry (that counts with a National Environmental Protection Agency)³⁸; the Ministry of Labour, Family and Social Protection; the Ministry of Transports and Infrastructure; and a National Development Agency that has been created in 2004, belonging to the Government.

There are also eight Regional Development Agencies which have been created in 2004. These will play a major role since they will have to administer a significant part of the EU Funds on rural development. These Agencies have been set up by voluntary association of neighbouring counties; they are not a territorial administrative unit and they also do not have any legal personality. They are rather informal organizational structures made up of 4 to 6 counties (NUTS III) each: *Region 1* – North-East (including 6 counties); *Region 2* – South-East (including 6 counties); *Region 3* – South (including 7 counties); *Region 4* – South-West (including 5 counties); *Region 5* – West (including 4 counties); *Region 6* – North-West (including 6 counties); *Region 7* – Centre (including 6 counties); and *Region 8* – Bucuresti-Ilfov (including Bucharest the capital and the county Ilfov).

The main activities of the eight Regional Development Agencies are: to conceive and update the Regional Development Plan (2007-2013); to implement and monitor the Programmes; to work in partnership; and to promote relevant information for the region. They also have competences for the management of the ROP. In this sense, each Regional Development Agency (as an intermediary organ) will sign a Framework Agreement with the Ministry of European Integration (as a Management Authority for the ROP). This Agreement will constitute the general framework for the implementation of the ROP 2007-2013 in Romania at a regional level.

According to the National Strategy Plan for Rural Development 2007-2013, from a tourism development interests perspective, the South-West development region (Region 4) is the one with the biggest potential in terms of tourism and agro-tourism due to its biodiversity, the natural reservations and other natural wealth; and the Centre development region (Region 7) is the most representative in terms of agro-tourism because of its infrastructure.³⁹

³⁸ There are eight Regional Environmental Protection Agencies, too.

³⁹ *Vid.* Ministry of Agriculture, Forests and Rural Development, Government of Romania "National Strategy Plan for Rural Development 2007-2013", March 2007, pp. 9-10.

4.3. Linking rural development and tourism in the Romanian specific regulation

Furthermore, at regional level, each Romanian region has elaborated its own strategic development framework, integrated into the national strategic framework adopted regarding the rural development.

On the other hand, by virtue of the EU legislation related to rural development, a *National Rural Development Programme* (thereinafter, NRDP) has been established for Romania for the 2007-2013 period. It is centred on 3 key challenges: *firstly*, to transform and modernise the agriculture and forestry production and processing sectors; *secondly*, to maintain and enhance the quality of the rural development; and *thirdly*, to ensure adequate economic and social conditions for the rural development. The NRDP for Romania consists of Axis 1,⁴⁰ 2⁴¹ and 3, and LEADER.⁴². Almost half of the EU funds from the regional development Policy for Romania will go to the Axis 1. However Axis 3 is the most important for the scope of our Paper (see supra 3.2).

It relation to this, it must be underlined that all these provisions adopted by Romania are fully in compliance with the EU Strategic Guidelines.⁴³ Interestingly one o these Guidelines fosters the development and use of renewable energies.⁴⁴

⁴⁰ Its main priorities are: skills and management capacity will be improved; improving the competitiveness of the farming sector; and restructuring and modernisation of processing and marketing of agricultural and forestry products.

⁴¹ Its main priorities are: to maintain sustainable farming in mountain and other disadvantaged areas (in order to maintain the environment, avoid land abandonment and address problems such as soil erosion); to maintain and enhance the environment benefits generated by traditional extensive farming systems in High Nature Value ecosystems (Carpathian mountains and Transylvania); to protect endangered bird species and their habitats; and forestation of agricultural land."

⁴² LEADER's main priorities are: to improve local governance capacity and to promote local development; and 91% of the funds will be used for the implementation of local strategies by Local Action Groups, including cooperation projects with other LEADER groups. On the four Axis of rural development, *vid.* JAZRA BANDARRA, N.: "Devenir du monde rural face aux orientations de la polítique européenne 2007-2013", *Revue du Marché commun et de l'Union européenne*, nº 499, 2006, p. 395-398.

⁴³ Decision 2006/144/EC, *cit.* These Guidelines include the following: to increase the non agricultural income will consolidate the semi-subsistence farms; to promote handcrafts and renewable energy activities will positively contribute to climate change; to develop non agriculture activities in farms and creating jobs within micro enterprises; to support the development of infrastructure while respecting the environment priorities; to create services for the population and economic activities; to promote training that will contribute to improve the environmental awareness; and to support public and private partnerships.

⁴⁴ Proyecto ERRG (nota a pié de página nº 42 en el Working Paper).

5. Final remarks

In this Paper we briefly provided a view on the EU and Romanian legal framework that may apply to rural development and tourism in Romania. This country is going through a key moment in its history having recently entered in the EU and we argue that the decisions it will take in the following years have the potential to shape the country's socio-economic panorama tremendously. It is crucial that Romania gets things right and this paper is just a modes effort to underline challenges

and opportunities in the legal framework this Member State is currently experiencing.

We believe that the challenge lies in promoting a development that is sustainable. A long lasting strategy must be implemented where the opportunities that its accession to the EU are fully exploited. The geopolitical characteristics of the country that highlight a high percentage of the populations still living in rural areas coupled with the tourism potential of the rural areas themselves make it tantamount to link rural development and tourism in the proper way. Until now Romania seems to have focused more on eco-tourism and/or rural tourism and less on sustainable tourism. This is one of the further areas of research that have been undertaken. Why hasn't sustainable tourism been developed in Romania? Or has it, but under a different terminology?

While these are important questions that the researchers involved in this Paper will look into in the future, we draw more modes conclusions from this work. On the one hand, from a EU legal perspective we have seen that tourism in rural areas in Romania can be promoted through the EU rural development Policy and, especially, through the funds available in the EU financial programming for the period 2007-2013 available to Romania, too. Europe has played an important role in financing the development of sustainable tourism in rural areas. And the European contribution to the tourism policy can be also legitimized by the mere fact that rural areas attract European tourists. On the other hand, the analysis of the domestic legal framework has shown that sustainable development has just very recently entered the legal framework of Romania. Furthermore, we have seen the level of complexity of the country's rural development and tourism governance. Finally, we have shown that rural development and tourism are beginning to be linked both from an institutional and a normative point of view.

The stakes are high in Romania currently and tourism can be a further opportunity to promote development in rural areas. Whether the implementation of the EU and Romanian legal frameworks will lead to sustainable tourism practices is yet to be seen, but some aspects that we have tried to underline in this Paper make us think that this new Member State has a unique opportunity to develop its rural areas in a sustainable manner through, amongst other factors, tourism.

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