CHAPTER I
General provisions

Art. 1. — By the present law there shall be established the institutional framework, objectives, competences, and instruments specific to the regional development in Romania.

Art. 2. — The basic objectives of the regional development policy in Romania shall be the following:

a) diminution of existing regional imbalances by stimulation of a balanced development, by accelerated recovery of lags in the development of disfavoured zones as a result of some historical, geographic, economic, social, and political conditions, and prevention of the production of new imbalances;

b) preparation of the institutional framework to meet the criteria of integration into the structures of the European Union, and of access to the structural funds, and to the Cohesion Fund of the European Union;

c) correlation of government sectorial activities and policies at the level of the regions by stimulation of initiatives, and by turning to good account of the local and regional resources, for the purpose of their lasting socio-economic and cultural development;

d) stimulation of interregional cooperation, both internal and international, and of transfrontier cooperation, within the framework of the Euroregions inclusive as well as participation of the developing regions in the European organizations and structures promoting their institutional and economic development for the purpose of achieving some projects of common interest, conformably to the international agreements to which Romania is part.

Art. 3. — The financing of the programmes for the achievement of the objectives provided under Art. 2 shall be ensured through the National Fund for Regional Development, to be constituted according to the provisions under the present law.

CHAPTER II
Development regions

Art. 4. — (1) County councils and the General Council of the Municipality of Bucharest may decide, with agreement of the interested local councils, that the zone including territories of the counties in question, respectively of the Municipality of Bucharest, should constitute development region.

(2) Development regions shall not be territorial administrative units and shall not have legal personality.

Art. 5. — (1) The constitution of the development region shall be made by a convention signed by the representatives of the county councils, and, respectively, of the General Council of the Municipality of Bucharest;

(2) The development regions thus constituted shall, with the Government's advice, become the implementation and evaluation framework of the regional development policy.

CHAPTER III
Territorial structures for regional development

Art. 6. — (1) For the coordination of the promoting activities of the objectives following from the regional development policies, a Regional Development Council shall be set up as a deliberative body, at the level of every development region, within sixty days after the coming into force of the present law.

(2) The Regional Development Council shall have the following main attributions:
   a) to analyse and decide on the regional development programmes and strategy;
   b) to approve the regional development projects;
   c) to present to the National Regional Development Council proposals with regard to the constitution of the Regional Development Fund;
   d) to approve the criteria, priorities, allocation, and destination of the resources of the Regional Development Fund;
   e) to follow up the utilization of the funds allocated to the regional development agencies from the National Regional Development Fund;
   f) to prosecute the observance of the regional objectives.

(3) The Regional Development Council shall be formed of the chairmen of the county councils and a representative each of the communal, town, and municipal local councils, designated by each county over the duration of the mandate. In the case of the Municipality of Bucharest, to the Regional Development Council shall be designated a representative of the General Council of the Municipality of Bucharest, and a representative each of the local sector councils.

(4) The Regional Development Council shall have a chairman and a vice-chairman. These offices shall be filled by turns, for a mandate of one year each, by the representatives designated by the counties.

(5) The prefects of the counties shall participate in the proceedings of the Regional Development Council without voting right. Likewise, invited may also be the representatives of the communal, town, and municipality local councils as well as of institutions and organizations with attributions in the field of regional development, depending on the set of problems under discussion.

(6) The Regional Development Council shall adopt its own standing rules on the basis of the framework-regulations elaborated by the Government.

Art. 7. — (1) A Regional Development Agency, coordinated by the Regional Development Council, shall be constituted within the framework of each development region within thirty days after the establishment of the Council.

(2) The Regional Development Agencies shall be non-profit, non-government bodies of public utility with legal personality, acting in the specific field of regional development. These agencies shall be organized and function under the terms of the present law and of the organizing and functioning statute approved by the Regional Development Council.
(5) The Director of the Regional Development Agency shall be appointed by competitive examination and shall be discharged from office by the Regional Development Council.

(4) The financing of the organization and functioning expenses of the Regional Development Agency shall be provided from the Regional Development Fund, their level being approved by the Regional Development Council.

(5) The Regional Development Council shall approve the organization chart, so that each county be equally represented.

Art. 8. — The Regional Development Agency shall have the following main attributions:

a) to elaborate and propose to the Regional Development Council for approval the regional development strategy, the regional development programmes, and the funds’ management plans;

b) to put in operation the regional development programmes and the funds’ management plans conformably to the decisions adopted by the Regional Development Council, with observance of the legislation in force, and to answer for their achievement before it;

c) to identify the disfavoured zones within the framework of the development region, together with the local or county councils, as the case may be, and forward the necessary documentation, previously approved by the Regional Development Council, to the National Regional Development Agency and to the National Regional Development Council;

d) to provide technical specialist assistance, together with the local or county councils, as the case may be, to natural or juristic persons, with state or private capital, investing in the disfavoured zones;

e) to submit to the National Regional Development Agency proposals for financing from the National Regional Development Fund, of the approved development projects;

f) to act for the attraction of financing sources to the Regional Development Fund;

g) to manage the Regional Development Fund for the purpose of achieving the objectives provided in regional development programmes;

h) to be responsible toward the Regional Development Council and toward the bodies enabled by law for the correct management of the allocated funds.

Art. 9. — (1) Regional development programmes shall be financed from the Regional Development Fund, administered by the Regional Development Agency.

(2) The Regional Development Fund shall be constituted annually from:

a) allocations from the National Regional Development Fund;

b) contributions from local and county budgets within the limits approved by the local and county councils, as the case may be;

c) financial sources attracted from the private sector, from banks, foreign investors, the European Union, and from other international organizations.

(3) Financial operations with regard to the execution of investment projects shall be unfolded by the regional development agencies through the territorial units of the State's treasury.

(4) Funds for the regional development cannot have another destination than that provided by the present law.

(5) Unused funds in the current budgetary execution shall be reported to the next year.

CHAPTER IV
National structures for regional development

Art. 10. — (1) Within ninety days after the coming into force of the present law the National Regional Development Council shall be set up with a view to the promotion of the objectives of the regional development policy provided under Art. 2.

(2) The National Regional Development Council shall include in its composition the chairmen and vice-chairmen of the regional development councils and, at par with their number, representatives of the Government designated by Decision of the Government.

(3) The chairman of the National Regional Development Council shall be the prime minister.

Art. 11. — The National Regional Development Council shall have the following attributions:
a) to approve the national strategy for the regional development and the National Programme for regional development;
b) to present proposals to the Government with regard to the constitution of the National Regional Development Fund;
c) to approve the criteria, priorities, and mode of allocation of the resources of the National Regional Development Fund;
d) to follow up the utilization of the funds allocated to the regional development agencies from the National Regional Development Fund;
e) to approve the utilization of the structural type funds allocated to Romania by the European Commission in the preaccession period as well as of the structural funds after accession to the European Union;
f) to follow up the achievement of the regional development objectives, within the framework of the external cooperation activities of the development regions, of international, transfrontier type, at the level of Euroregions, inclusive.

Art. 12. — The National Regional Development Council shall function on the basis of its own functioning and organization regulations elaborated within ninety days after the coming into force of the present law.

Art. 13. — (1) The National Regional Development Agency shall be set up for the purpose of the promotion and coordination of the regional development policy, as an executive body of the National Regional Development Council, with legal personality, conducted by a chairman with rank of state secretary.

(2) The statute, place of residence, mode of organization and functioning of the National Regional Development Agency shall be approved by decision of the Government within thirty days after the setting up of the National Regional Development Council, at the proposal of this Council.

(3) The financing of the organizing and functioning expenses of the National Regional Development Agency shall be assured, annually, from the National Regional Development Fund, their level being approved by Government decision at the proposal of the National Regional Development Council.

Art. 14. — The National Regional Development Agency shall have the following main attributions:
a) to elaborate the national regional development strategy and the National regional development programme;
b) to elaborate the principles, criteria, priorities, and mode of allocation of the resources of the National Regional Development Fund;
c) to propose to the National Regional Development Council the constitution of the National Regional Development Fund;
d) to provide the financial and technical management of the National Regional Development Fund;
e) to promote various forms of cooperation between counties, municipalities, towns, and communes;
f) to provide specialist assistance to the regional development councils in the process of institutional construction;
g) to propose to the National Regional Development Council the designation of some zones as disfavoured zones, to be sustained economically and financially by instruments specific to the regional development policy;
h) to fulfil the function of national negotiator in relations with the Regional Policy and Cohesion Directorate within the framework of the European Commission for the European Regional Development Fund and the Cohesion Fund;

Art. 15. — (1) For the financing of the regional development programmes in Romania, the National Regional Development Fund shall be constituted from the sums allocated annually through the state budget as a distinct item for the regional development policy.

(2) To the National Regional Development Fund may also be attracted other internal and international financing sources:
a) permanent financial assistance on the part of the European Union, within the framework of the PHARE Programme;
b) sums of money from structural type funds which shall be assured to Romania by the European Union in the period when it shall have the status of an associated state;
c) sums of money from structural funds which shall be assured to Romania from the moment of her accession to the European Union;
d) unredeemable financial assistance on the part of some governments, international organizations, and banks;
e) other financial resources from the funds existing at the disposal of the Government.

Art. 16. — (1) At the solicitation of the local or county councils, as the case may be, and on the basis of the documentations presented by the regional development agencies, the regional development councils may solicit the National Regional Development Council to propose to the Government the declaration of certain zones as disfavoured zones, in order to be sustained economically by instruments specific to the regional development policy.

(2) The facilities which the disfavoured zones shall benefit by, the criteria and terms on whose basis these can be granted shall be established by a special law.

(3) On the basis of the criteria provided under para (2), the Government, at the proposal of the National Regional Development Council, shall establish the concrete fiscal facilities which each zone in part shall benefit by.

CHAPTER V

Final and transitory provisions

Art. 17. — The National Commission for Statistics shall collect from the development regions constituted according to the present law, the specific statistical data necessary for the substantiation and monitoring of the regional development policies.

Art. 18. — The utilization of the sums of money received from the Regional Development Fund for regional development projects, with non-observance of the destination and terms for which they had been granted to the beneficiaries shall be found and sanctioned according to the law by the enabled control bodies.

Art. 19. — For the year 1998, the financing of organizing and functioning expenses of the National Regional Development Agency shall be assured from the state budget on the account of Budgetary reserve fund at the disposal of the Government, the level of the sums of money to be approved by Government Decision.

Art. 20. — Within thirty days after the coming into force of the present law, the Government shall approve by decision, at the proposal of the Reform Council, and of the Local Public Administration Department the methodological rules for its application as well as the framework-regulations provided under Art. 6 para (6).
SUMAR

LEGE privind dezvoltarea regională în România .......... 5

CAPITOLUL I
Dispoziții generale .......................................................... 5

CAPITOLUL II
Regiunile de dezvoltare ...................................................... 6

CAPITOLUL III
Structuri teritoriale pentru dezvoltarea regională .......... 6

CAPITOLUL IV
Structuri naționale pentru dezvoltarea regională ........... 9

CAPITOLUL V
Dispozitii finale și tranzitori .............................................. 12
SOMMAIRE

LOI sur le développement régional en Roumanie .... 15

CHAPITRE I
Dispositions générales.............................................................. 15

CHAPITRE II
Régions de développement..................................................... 16

CHAPITRE III
Structures territoriales pour le développement régional ...... 16

CHAPITRE IV
Structures nationales pour le développement régional ...... 20

CHAPITRE V
Dispositions finales et transitoires ................................. 23

CONTENTS

LAW on regional development in Romania......................... 27

CHAPTER I
General provisions................................................................. 27

CHAPTER II
Development regions.............................................................. 28

CHAPTER III
Territorial structures for regional development ............... 28

CHAPTER IV
National structures for regional development............... 31

CHAPTER V
Final and transitory provisions........................................... 34