
URBAN AGGLOMERATIONS IN THE PERSPECTIVE OF SUSTAINABLE TOURISM DEVELOPMENT - STRATEGY AND FINANCING POSSIBILITIES

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Abstract

This article highlights the contribution of Local Action Groups and Metropolitan Areas in supporting economic development in large urban agglomerations, with reference to the financing of existing project portfolios at the level of local communities, offering solutions to stakeholders interested in improving the quality of life and tourism services. For each of the two associative structures set up around Constanta we have highlighted their identities, the role of local communities in the territory where they are placed, the importance of strategy for local development in setting up portfolios of projects and financial options for those. We also presented the financing plans and lines that support the development and modernization of both the rural and the urban infrastructure.

This article complements the studies conducted on urban areas with a point of view regarding the interference of local development strategies in their territory, with reference to two types of entities: Metropolitan Area and Local Action Groups, concentrated around Constanta. The analysis performed in the context of the literature is a new perspective, which offers the possibility of generating a portfolio of development projects in urban areas, with multiple financing possibilities (national, European, international) and on different axes. The strictly technical documentation covers a topic known by authors who had the opportunity to work in the field and who used the most recent and original data known in the period 2012-2019.

Keywords

Urban agglomeration, Metropolitan Area, Local Action Group, strategy, sustainable development, financing

JEL Classification

L83, Z32

Introduction

In the context of global development and the effervescence of the changes that have taken place in all areas, in the economic sphere, the problem of the convergence of actions from the level of local communities, regional structures and national entities is raised, in order to reach the goals of sustainable development synthesized in social harmony, economic, average. Urban agglomerations are an increasingly important reality worldwide, because the quality of actions in the development of the urban environment is the engine of development in their neighboring area, in smaller localities.

Urban agglomerations, concept and features

We thus reach a broad discussion on sustainable development in urban agglomerations, a synthesis of the needs at their level, the exploitation of existing resources from a geographical, human and economic point of view. In the study of human settlements, an urban agglomeration is defined as an urban concentration formed by a large city and the surrounding area that gravitates towards it, including other cities, smaller, but also villages, which show a great dependence. (Profiroiu, 2008)

Due to the continuous demographic and functional growth, cities expand territorially and increase their influence around, some imposing themselves in particular. As a result, urban agglomerations come to life, they influence and polarize the economic-social activity of a certain region, in some cases their sphere of influence in the territory encountering other similar centers.

European strategy in the development of urban agglomerations

Beyond this influence we see two types of organizational structures that can contribute to the achievement of the goals of these agglomerations, one from the perspective of the Europe 2030 Strategy and the European Economic and Social Committee and another from the point of view of the Leader strategy at the governmental level, in the current period and destination. These are the Metropolitan Areas and Local Action Groups established as associative structures, based on the existing localities, in these urban agglomerations.

That is why we present both actors on the stage of local administrative development with several examples, which highlight their advantages and their importance. Of the 80 urban agglomerations in Europe, we present only the representative ones, namely the first 10 (table no. 1), whose characteristics we will analyze and which will constitute successful examples for the urban agglomeration around the city of Constanta.

It has a Metropolitan Area and four local action groups concentrated around it, as follows: Central Dobrogea, North Constanta, Constanta Center and Black Sea Danube Canal.

Table no. 1: The structure of the most important urban agglomerations in Europe

Position	The name of the urban agglomeration	The country	Population of urban agglomeration	Population of the city
1	Moscow	Russia	14.744.150	10.425.075 (2006)
2	Istanbul	Turkey	13.179.865	11.372.613 (2007)
3	London	UK	13.063.441	7.517.700 (2005)
4	Paris	France	11.818.503	2.153.600 (2005)
5	Barcelona	Spain	4.959.864	1.605.602 (2006)
6	St. Petersburg	Russia	4.820.815	4.580.620 (2006)

7	Milan	Italy	4.303.403	1.308.735 (2006)
8	Berlin	Germany	4.040.690	3.395.189 (2005)
9	Rome	Italy	3.858.111	2.547.677 (2006)
10	Athens	Greece	3.829.018	745.514 (2001)

Source: from Wikipedia, free encyclopedia

From the previous presentation we notice that there are also big differences between the cities around which this development takes place such as London, Paris, Barcelona, Moscow, the Hamburg metropolitan area where the spread of the development has led to the inclusion of the small cities in the surrounding rural area which may include an important area around the European metropolises.

The metropolitan areas and urban regions in the Europe 2030 Strategy, in the vision of the European Economic and Social Committee, are represented by a large city or a polycentric group of cities that also include smaller cities with a critical mass of at least 500,000 inhabitants (www.ZMC.ro). The role of the Metropolitan Area is to form important economic areas and labor force markets, being different entities from provinces, districts.

There are currently fragmented approaches that should be replaced by a coherent and progressive urban policy in the perspective of 2050. We should have a paradigm shift in favor of the Metropolitan Area and urban regions as a result of globalization, which is characterized by the creation of networks and value chains internationally, as well as the transformation and restructuring of industrial regions into regions with a manufacturing industry and a specialization of cities as bases of clusters that attract investment.

Important is the proximity of universities, research centers, international connectivity in parallel with internal mobility and intelligent transport systems. We are talking today about the green city that is responding to climate change, which is protecting the environment and promoting low energy consumption, which requires better and more careful local administration, as well as public-private partnerships.

Better interaction between urban and rural areas is necessary so that the quality of work at all levels of society is supported by an education and appropriate schooling systems so that we can talk about sustainable development in the field of tourism and related ones.

Effective governance of metropolitan areas and cities must be based on a combination of bottom-up and top-down approaches, ensuring the involvement of all stakeholders and the results will be achieved when all the social levels involved have adopted this concept. It is a multilevel governance, where the interaction between the decision-making process and the implementation is immediately apparent. Any measure taken in support of the strategy at the level of the associative entity must be corrected in real time according to the effects produced based on a recurring evaluation.

A characteristic of the regional development in Romania is given by the LOCAL ACTION GROUPS (LAGs) which doubles the financing possibilities in the urban agglomerations or part of them.

Sustainable development is a priority of both the intervention at the Metropolitan Area level and the intervention of the LAGs in the local development. From this perspective, they aim to balance the three dimensions of sustainable development: economic, social and environmental. To the obvious question about the purpose we have in promoting sustainable development, the answer is that the current generations in the local communities in these rural areas can cover their social, economic and environmental needs so as not to compromise the capacity of future generations in supporting and meeting their own needs.

The most active actors in rural and urban areas are:

- Professional associations

- Local political representatives
- Providers of cultural and community services
- Media
- Citizens

LAGs can support sustainable development in rural areas because they complement the existing human resources in both the public and private sectors with the financial resources in the two fields (<https://www.galdc.ro/docs/GAL-INFLUENTA-TURISMULUI-RURAL>). These are superiorly exploited through the intervention of the civic sector and the use of the conscious volunteering necessary to reach the objectives.

The sustainable development of tourism is directly linked to the increase of the quality of life in the rural area and conditioned by a better infrastructure, represented by good quality roads, water and sewerage networks, schools and kindergartens equipped with European standards (Dorobanțu, Gheorghe and Nistoreanu, 2012). The local authorities on the territory of the LAG need high-performance equipment for carrying out the activity of local administrative management. At the same time, authorized natural persons, individual companies, companies that, through the services provided, contribute to the improvement of life in the local communities, as well as to increasing the tourist attraction of the localities, will be carried out on its territory. where they support their investments.

The better the economic environment, the lower the number of unemployed, and the adequately qualified workforce responds better to the demands of the labor market and services. The quality of life is not in itself, it is directly proportional to the needs of the citizens.

Both the Metropolitan Area and the LAGs in the vicinity of Constanta Municipality, through integrated local development strategies, represent active organizational structures that contribute to achieving the objectives of sustainable tourism development in the vicinity of the Black Sea. Constanța metropolitan area is a Metropolitan Area which brings together 14 localities, of which 6 cities and 8 communes: Constanta county residence, Navodari, a touristic city in the burst of development, Ovidiu, city on the shore of Lake Siutghiol, Techirghiol and Eforie, cities with spa potential, as well as communes Mihail Kogalniceanu, Lumina, Cumpăna, Agigea and Valu lui Traian, placed right next to the entrance of Constanta similarly to Corbu and Poarta Alba.

The Constanta Metropolitan Area hosts 71% of the county's population, 500,000 inhabitants out of the total 700,000 inhabitants of Constanta County, on an area that accounts for 30% of the administrative territory of Constanta, respectively 1,014 km² (www.ZMC.ro). It is important to consider at this time the financing lines that can be accessed from the EU programs.

Two of the LAGs have in common with the Metropolitan Area, 6 localities, as follows:

- Constanta Center: Lumina and M. Kogalniceanu
- Black Sea Danube Channel: Cumpăna, Poarta Alba, Valu lui Traian and Agigea (www.madr.ro/axa-leader/leader-2014-2020). They total 130,794 inhabitants and an area of 3,355 km². The localities in both structures benefit from the financing lines valid for both the urban area and the rural area.

Competitiveness was identified as one of the five challenges regarding the development of Romania, underlining the need to improve the capacity of innovation and research for the development of products, services, businesses, processes and social models. Equally, the business environment will be improved, through the implementation of large-scale value chains and the creation of links inside and outside the country.

The portfolios of projects resulting from the development of local development strategies, both for the Constanta Metropolitan Area and for the Local Action Groups around Constanța, can be supported through the European funding programs: ERDF (European Regional

Development Fund), ESF (European Social Fund), EAFRD (European Agricultural Fund for Rural Development).

The Operational Competitiveness Program (POC), which is supported by the ERDF, responds, first of all, to the development challenge *Competitiveness and Local Development* described within the PA and complementary, it contributes to the achievement of the objectives of three other development challenges, namely: People and society, Infrastructure and Administration and government, thus allowing horizontal interventions in economy and society. The program operates through two vectors - Research, Development, Innovation (RDI) and Information and Communication Technology (ICT) - and contributes to achieving Romania's objectives in these areas in accordance with the Europe 2020 Strategy: a European strategy for smart growth, sustainable and inclusive.

Through its interventions, the program contributes to increasing competitiveness and economic development by improving access, security and use of ICT and by strengthening the RDI. At the same time, the POC contributes, indirectly, to the reform of areas such as education, health and culture, but also to social inclusion or poverty reduction.

ERDF focuses its investments on several key priority areas. This approach is known as "thematic concentration":

- Innovation and research;
- Digital agenda;
- Support for small and medium-sized enterprises (SMEs);
- Low carbon economy (Oprea, 2009).

The ERDF resources allocated to these priorities depend on the category of the region. In the more developed regions, at least 80% of the funds must focus on at least two of these priorities. In the transition regions, the concentration is 60% of the funds, and in the less developed regions, the share is 50%. In addition, some ERDF resources need to be channeled specifically to projects related to a low carbon economy:

- The most developed regions: 20%;
- Transition regions: 15%;
- Less developed regions: 12%.

During this period, the ESF grants funding of approximately EUR 80 billion (at current prices) for:

- for professional conversion
- solving the problem of equal opportunities and social inclusion
- to raise the level of education and to diversify the fields in vocational training, in order to respond to the current realities
- improve the quality of public services, from local to governmental level.

Strategy and budget The ESFs are jointly negotiated and agreed by the governments of the Member States, the European Parliament and the Commission. 7-year operational programs are planned by governments and approved by the European Commission (Sofi, 2009). They have access to financing from a wide range of organizations - public bodies, private companies and civil society - that concretely help people find work or keep their jobs.

The European Union Solidarity Fund (EUSF) is the main tool available to the EU to deal with major natural disasters and to show solidarity with disaster-stricken regions in Europe. Austria, Italy and Romania benefit from a support of EUR 293.5 million.

The fund was created in response to the devastating floods that hit Central Europe in the summer of 2002. Since then, it has been used in the case of 80 disasters of various types: floods, forest fires, earthquakes, storms and drought. So far, 24 different European countries have been supported, the total amount allocated exceeding 5 billion euros. In the current context of the crisis generated by the COVID-19 pandemic, the European Commission has reallocated funds for the affected states, including Romania.

EAFRD through the National Program for Rural Development 2014-2020, with a financing of over 8 billion EURO, supports the sustainable development of tourism in the rural area, through measures:

7.2-Investments in the creation and modernization of the basic infrastructure on a small scale - the rural infrastructure,

7.6-Investments associated with the protection of cultural heritage,

6.4-Investments in the creation and development of non-agricultural activities (www.afir.info.ro).

All these measures generate the modernization of life in the rural area and increase the attractiveness of these localities in terms of access to good quality tourist services.

Conclusions

Sustainable development requires the use of financing solutions for projects of local authorities, as well as for the business environment, both from the perspective of the National Rural Development Program, supported by an EAFRD grant, as well as on the line of the Regional Operational Program, which receives funding from the ERDF. The public-private partnership is still very important, because it comes to solve problems wherever they might appear in local communities and also offers the possibility of finding solutions for the three factors: economic, social and environmental.

It is all about the administrative decision, the political will, the institutional collaboration, the right analysis and the identification of the real problems that give us the possibility to take measures in order to increase the quality of life in the East of Romania, here where the dominant activity is spa tourism which is seasonal.

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