

COMITETUL DE MONITORIZARE AL PROGRAMULUI OPERAȚIONAL REGIONAL

HOTĂRÂRE

privind aprobarea textului revizuit al axei prioritare 1 „Sprijinirea dezvoltării durabile a orașelor – poli urbani de creștere” a Programului Operațional Regional 2007 - 2013

În temeiul prevederilor art.12 din Hotărârea Guvernului nr.765/2007 privind aprobarea constituirii Comitetului de Monitorizare a Programului Operațional Regional 2007-2013 și a Regulamentului - cadru de organizare și funcționare al acestuia,

Comitetul de Monitorizare al Programului Operațional Regional adoptă prezenta hotărâre:

Art. 1 - Se aprobă textul revizuit al Programului Operațional Regional 2007-2013 - axa prioritară 1 „Sprijinirea dezvoltării durabile a orașelor - poli urbani de creștere” prin introducerea unui nou Domeniu major de intervenție „Sprijinirea investițiilor în eficiența energetică a clădirilor de locuințe”

Art. 2 - Textul revizuit al axei prioritare 1 „Sprijinirea dezvoltării durabile a orașelor – poli urbani de creștere” a Programului Operațional Regional este prezentat în Anexa, care face parte integrantă din prezenta hotărâre.

Președinte

Comitetul de Monitorizare al Programului Operațional Regional

Eduard HELLVIG

Ministrul Dezvoltării Regionale și Turismului



3.2.1. Priority Axis 1: Support to sustainable development of urban growth poles

Objectives

This priority axis aims to increase the quality of life and to create new jobs in cities and their surrounding areas, by rehabilitating the urban infrastructure, improving services, including social services, as well as by developing business support structures and entrepreneurship.

In order to contribute to a balanced territorial development of the country and to avoid the increasing of internal disparities, investments will be concentrated in those cities which act as regional and / or local urban growth poles, spread the development into the surrounding areas and generate significant regional impact, giving priority to growth poles located in regions with lower level of development in terms of GDP and unemployment.

Rationale

The concentration of the population and economic and cultural activity in cities, along with the role of cities as transport nodes justifies the concentration of investment in physical regeneration, the improvement of entrepreneurship, the environment and social services in these areas.

Therefore, it is essential to support the **local urban growth poles** in order to perform their urban functions, especially those cities, which have intense connections with and influence the development of the surrounding rural areas. At the same time, the Regions' development level is directly influenced by the development of larger cities, which fulfil a diversity of advanced/complex functions and have significant connections and inter-dependencies with the urban and rural localities in their neighbourhood and, together with these areas, act as **regional urban growth poles**.

Economic changes which occurred in Romania after 1990 were reflected, among others, in a process of industrial restructuring, which led to a decline of economic activities in the affected cities and, as a consequence, to a dismissal of a great number of employees. Consequently, there has been registered a decrease in the population's incomes, a reduction in public investment in basic infrastructure and a worsening of social environment within the cities. All these have been reflected in a deterioration of the quality of life of the population in cities.

The most affected areas are the small and medium sized cities, often mono-industrial, where the decline of the main enterprise generated a diminishing of the urban functions and even tendencies towards ruralization. In the case of the large cities or those with a more diversified economic structure, the closure of an enterprise led to an increase in socio-economic disparities between the area where this was located and the other areas of the city. Thus, this declining area added to the others characterized by physical, economic and social degradation increased the disparities within cities and affected their attractiveness and competitiveness.

Taking into consideration the present situation of the Romanian cities, it is envisaged that funds allocated to urban development be spent as follows: 60% for urban public infrastructure, 25% for social infrastructure and 15% for business environment.

In this context, the integrated urban development and regeneration plans will contribute to the achievement of specific objective of ROP, namely increasing the economic and social role of cities, adopting a polycentric approach, in order to have a more balanced development of regions, in compliance with the objectives of the National Strategy for Regional Development and the National Strategic Reference Framework, and also with the Community Strategic Guidelines on Cohesion for the programming period 2007-2013.

Key Areas of Intervention

- Integrated urban development plans
- Support for energy efficiency measure in residential buildings

Integrated urban development plans

Previous EU experiences (URBAN I and URBAN II) have shown that an integrated approach to economic, social and environment problems within the deprived cities proved a successful mean of solving them and achieving a sustainable urban development. This approach consisted in simultaneous support for the physical renovation of the urban environment, for the rehabilitation of basic infrastructure, and also for actions concerning economic development, increasing competitiveness and employment, integration of ethnic groups, taking into account environmental protection.

The advantage of this integrated approach consists in the possibility of solving simultaneously many inter-dependent problems, which affect both the cities and their surrounding areas, whether urban and rural. For this reason, under this priority axis there will be financed projects included in medium and long-term integrated urban development plans aiming to the development or regeneration of cities. In the case of regional urban growth poles, the implementation of these integrated plans will tackle the development not only of the major cities, but also of the surrounding urban and rural areas. These integrated plans will be implemented through projects for the rehabilitation of deprived urban infrastructure, development of entrepreneurship and employment and rehabilitation of social infrastructure and improvement of social services.

Local public administration along with all other participants involved in urban development should cooperate together and draw up coherent, participative, integrated and sustainable plans for tackling social, economic, and environmental problems which are becoming increasingly serious in cities of the country; and also for the increasing of attractiveness and the improvement of the quality of life in cities. The involvement of citizens and local players in the elaboration of integrated urban development plans is a precondition for ensuring the sustainability of these integrated plans.

The integrated urban development plans should be implemented by projects addressing the following issues:

- Rehabilitation of the urban infrastructure and improvement of urban services, including urban transport
- Development of sustainable business environment
- Rehabilitation of social infrastructure, including social housing and improvement of social services

Cross-financing (as defined in art. 34(2) of the Council Regulation No. 1083/2006) may be used within this priority axis, if needed.

The financing of integrated urban development plans may also involve different types of financial engineering instruments (JESSICA).

Rehabilitation of the urban infrastructure and improvement of urban services, including urban transport

Physical regeneration of city centers and public spaces is particularly important for improving the inhabitant's quality of life and stimulating the establishment of new economic activities.

Certain cities have obsolete infrastructures that barely satisfy the population's needs. This is reflected in the life quality of inhabitants and discourages the location of the economic activities in those areas. This is clearly reflected in the outskirts of old, central parts of cities, where buildings of great historical and cultural value are abandoned or / in an advanced phase of degradation. These areas also register a high level of deteriorated public spaces: streets in poor condition, incomplete and /or inadequate street lighting, reduced surface of parks, etc.

Consequently, there will be supported activities for the completion and/or renovation of obsolete buildings (and their preparation for new economic and social activities), the rehabilitation of historical and cultural heritage, as well as for the demolition of badly deteriorated buildings and/or structures, which don't belong to the national or local cultural heritage.

Other type of necessary activities refer to the development and/or rehabilitation of urban public infrastructure and utilities, namely rehabilitation of urban streets, including related infrastructures and their connection to the surrounding areas of the cities, as well as the renovation of public spaces and different types of urban infrastructure (pedestrian zones, pavements, public lighting, etc.).

Through integrated urban development plans, unused/ polluted sites (either abandoned industrial sites or other types of unused lands) will also be rehabilitated and prepared for new uses, which will determine the increase of the quality of life for people in cities.

Due to the increasing traffic in cities of Romania it is important to finance investments in urban environmentally friendly public transport, including traffic management systems, as well as the use of alternative forms of transport like cycling, walking etc.

Development of sustainable business environment

In order to ensure the sustainability of integrated urban development plans, it will be supported the development of entrepreneurship for stimulating economic activities and the creation of new jobs that will have an impact on increasing the competitiveness of cities, taking into consideration that the cities' authorities as project beneficiaries, know the best (based on the cooperation with the local stakeholders), which are the types of economic activities necessary and adequate for capitalizing local resources. Ensuring the sustainability of cities regeneration implies the support of entrepreneurial activities by creation and / or rehabilitation of different business infrastructures. Activities related to creation, rehabilitation, and extension of leisure tourist areas and

infrastructure, as well as related utilities will also be supported in order to have diversified business environment.

Rehabilitation of social infrastructure, including social housing and the improvement of social services

In order to satisfy the growing demand for housing, multi-family housing was built during the 70's and 80's in most cities. The lack of further investments caused a degradation of this multi-family housing so that currently they are characterized by severe degradation, including high energy loss, which adversely affects the population's health. The activities to be carried out under this area of intervention will encompass those included in the art. 47 of Commission Regulation No.1828/2006.

It is the responsibility of the public sector to satisfy specific social needs. Meeting these needs has also proved to be a major source of employment and life quality enhancement, as well as a real help in achieving equal opportunities for both men and women, by providing services that help them combine their professional and family duties.

Activities supported for the rehabilitation of social infrastructure and improvement of social services will aim at the rehabilitation of social infrastructure (child-care centres, old people's homes, centres providing assistance to disabled persons, youth centres, cultural and community centres etc), and the acquisition of equipments for increasing security and preventing crimes (surveillance systems, etc).

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Support for energy efficiency measure in residential buildings

The goal of this key area of intervention is the creation of jobs and to promote social cohesion by supporting improvement of energy efficiency in residential buildings in Romania, in accordance with EU Strategy 2020 objectives, which will lead to higher employment rate and reduced energy consumption.

Improving the energy efficiency of buildings is an increasingly important policy aim across the EU given the large proportion of the energy consumed in heating. This is especially in many of the EU 12 countries and also the case of Romania with housing stock built to low standards during the communist time, mostly in the form of apartment blocks, while the renovation of the existing stock was neglected.

The buildings sector is a major consumer of energy and a major contributor of net greenhouse gas emissions worldwide.

Residential buildings dominate the building stock of Romania, accounting about 95.4% of the total buildings. Existing residential buildings are generally old (over half of residential buildings were built before 1970). These buildings have poor thermal properties – with average annual heating requirements of between 137-220 kWh/m². The thermal energy consumption for heating and hot

water in households represents about 80% of the energy consumption of buildings. The average energy saving potential in residential buildings is estimated at about 38%, which could be translated in petrol savings of about 600,000 tones per year. It is also to be mentioned that the specific consumption for heat and hot water in the Romanian buildings is double as compared to those in the Western Europe, and therefore there is a high rate of pollution emissions as a consequence.

Most dwellings have been privately owned since 1995 (a process which started with the revolution in 1989). As of 31 December 2009, the state owned only 3.2% of dwellings in urban areas and only 1.2% in rural areas (the communes). Private ownership is 97.7% at the national level. The vast majority of new dwellings in Romania are built with private resources and are privately owned. Approximately 95% of Romania's housing stock is owner-occupied; so most households act simultaneously as owners and users.

Improving the energy efficiency in residential buildings contributes to the creation and maintenance of jobs, which will have an effect on countering the economic downturn, by giving direct and immediate support to the construction industry, as well as related industries highly affected by the economic crisis. Investments in thermal rehabilitation of residential buildings increase the number of jobs by 9 times, compared to the investments in thermal energy generation capacity.

The energy efficiency investments in residential buildings will contribute to the reducing of fuel poverty in Romania by reducing heating costs of households and especially those with low incomes and helping to improve purchasing power of the disfavoured social categories. This key area of intervention will contribute to social cohesion by giving special attention to the most vulnerable groups of the population. Wherever needed, and especially in the case of vulnerable groups, a mechanism will be set in place in order to ensure that the most needing categories of population will benefit from the scheme. In addition, the co-financing rates will be set in accordance with the capacity and affordability of owners to co-finance such investments.

Implementing energy efficiency measures in residential buildings will lead to the improvement of living conditions of population in the form of lower energy bills, reduction in CO2 emission and/or the more rationale use of energy sources, in accordance with the EU 2020 Strategy.

Indicative operations will focus on:

- **Energy efficiency measures for the building envelope;**
- **Energy efficiency measures for the common parts of the space heating and domestic hot water installations;**
- **Energy efficiency measures implemented in spaces of private ownership (in apartments);**

Quantified objectives - Indicators

Indicator	Unit	Baseline	Baseline Year	Source	Target (2015)
OUTPUT					
Integrated urban development plans accepted	No	-	-	ROP Monitoring System - SMIS/IB/MA reports	30
Projects ensuring the improvement of the urban infrastructure and urban services, including urban transport, within integrated urban development plans	No	-	-	ROP Monitoring System - SMIS	60
Projects promoting the development of sustainable business environment, within integrated urban development plans	No	-	-	ROP Monitoring System - SMIS	15
Projects ensuring the rehabilitation of social infrastructure, including social housing and improvement of social services, within integrated urban development plans	No	-	-	ROP Monitoring System - SMIS	25
Apartments rehabilitated for energy efficiency	No	-	-	ROP Monitoring System - SMIS	46,920
RESULT					
Inhabitants benefiting from the implementation of projects within integrated urban development plans	No	-	-	ROP Monitoring System - SMIS	400,000
Companies established in the regional and local growth poles	No	-	-	ROP Monitoring System - SMIS	400
Jobs created / saved	No	-	-	ROP Monitoring System - SMIS	1,500
Total energy savings for the apartments rehabilitated	GWh/year	-	-	ROP Monitoring System - SMIS	256