



## Perspectives on the administrative-territorial reorganization of Romania

**Dragoș Valentin DINCĂ**

Faculty of Public Administration

The National University of Political Studies and Public Administration

Bucharest, Romania

dragos.dinca@administratiepublica.eu

**Cătălin CHIPER**

Chamber of Deputies, Parliament of Romania

Bucharest, Romania

catalin.chiper@gmail.com



**Abstract.** *The territorial administrative organization of Romania has been a highly debated topic in recent years at the public level. Thus, immediately after 1990, in the light of the new vision regarding the organization of the state and society, the issue of territorial administrative reorganization was raised, especially since almost all the legislation prior to 1990 had been changed. Later, at various stages in the evolution of Romanian society and especially in the context of Romania's accession to the European Union, the subject reappeared. In this last context, the problem arose of the non-existence of a correspondence between the Romanian administrative structures and those existing at European level. The issue was somehow resolved by the establishment of the regions as territorial-statistical units without legal personality, representing the framework for the elaboration, implementation, monitoring and evaluation of regional development policies, including regional development strategies and economic and social cohesion programs.*

**Keywords:** *Administrative-Territorial Units, Reorganization.*

**JEL:** H11, H70.

## 1. Introduction

Recently, the theme of territorial administrative reorganization of Romania was resumed, this time in the context of policies meant to reduce the public expenses. Thus, several analyses have emerged in the public arena, the conclusion of which is that there are too many administrative territorial units in Romania, which do not justify their existence because they have a small number of inhabitants, with a low administrative capacity and, consequently, generate an unnecessary consumption of public resources.

Therefore, the issue of the territorial administrative reorganization of Romania has no longer been raised in terms of creating higher-level administrative structures that would have to do with the merger/abolition of the current counties, but in terms of abolishing some territorial administrative units, more specifically some communes considered too small in terms of the number of inhabitants.

The issue of territorial administrative reorganisation of Romania is not a simple one. It must be approached in a multidisciplinary manner and starting from the present economic and social realities in Romania. Moreover, the legal aspects should not be forgotten either.

From this last perspective, it should be noted that according to the constitutional provisions, the national territory is organised administratively in communes, towns/cities, and counties. The constitutional text also provides that, under the law, some cities may be declared municipalities.

## 2. Administrative-territorial units in Romania

Although it precedes the current Constitution of Romania, the normative act regulating the administrative and territorial organization of Romania is Law 2 of December 20, 1968 on the administrative organization of the territory of the Socialist Republic of Romania. Law 2/1968 has undergone numerous amendments, especially after 1990, as a result of the abolition, change of name or territorial boundaries, but especially as a result of the establishment of numerous territorial administrative units. According to this law, there are a total of 3228 administrative territorial units and sectors in Romania, as follows: 103 municipalities (including Bucharest), 216 cities, 2862 communes, 41 counties and 6 sectors of the Municipality of Bucharest.

According to the final data of the 2021 Population and Housing Census, the resident population of Romania is 19,053,815 persons (National Institute of Statistics, 2023). An analysis of the data published by the National Institute of Statistics reveals several interesting facts about the population of Romania at territorial level.

Thus, regarding the population of Romania's counties, the smallest county in terms of the number of inhabitants is Tulcea county, with a resident population of 193,355 people (1.01% of the country's total population), and the largest county is Iasi with a resident population of 760,774 (3.99%) (National Institute of Statistics, 2023). So, between the two extremes there is a difference of almost 1 to 4.

Analysing the final data of the Population and Housing Census of 2021 (2023) it appears that most counties of Romania, i.e., 11, have a population between 300,000-400,000 inhabitants.

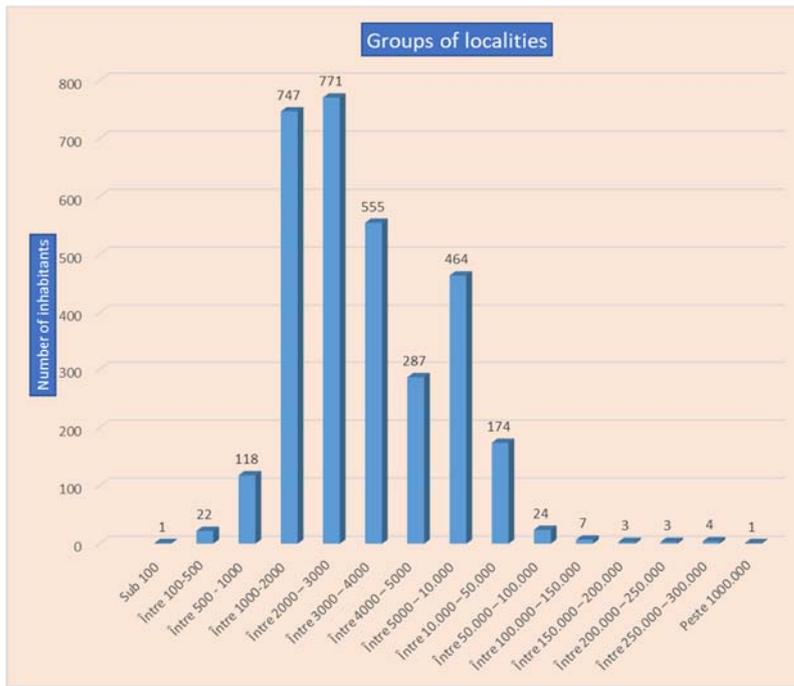
**Figure 1.** Romanian counties grouped by number of residents

County resident limits	No. counties	% of total counties	Counties
Under 200,000 inhabitants	1	2.43%	Tulcea
Between 200,000-300,000 inhabitants	10	24.39%	Bistrița-Năsăud, Harghita, Călărași, Brăila, Giurgiu, Ialomița, Caras-Severin, Mehedinți, Sălaj, Covasna
Between 300,000-400,000 inhabitants	11	26.82%	Botoșani, Sibiu, Olt, Vaslui, Hunedoara, Vâlcea, Alba, Vrancea, Satu Mare, Teleorman, Gorj
Between 400,000-500,000 inhabitants	6	14.63%	Galati, Dambovita, Neamt, Maramures, Arad, Buzau
Between 500,000-600,000 inhabitants	6	14.63%	Dolj, Argeș, Bihor, Brașov, Ilfov, Mureș
Between 600,000-700,000 inhabitants	6	14.63%	Prahova, Cluj, Constanta, Timis, Suceava, Bacau
Between 700,000-800,000 inhabitants	1	2.43%	Iasi

**Source:** Population and Housing Census 2021 (2023, available at <https://www.recensamantromania.ro/>)

Out of the 3181 localities in Romania (municipalities, cities, and communes), 24.24%, i.e., 771 have a resident population between 2000 and 3000 inhabitants, being also the largest group of municipalities in terms of number of residents. The next group in this perspective is that of localities whose residents are between 1000 and 2000 inhabitants, representing 23.48% of all Romanian localities, i.e., 747.

**Figure 2.** Romanian localities grouped by number of residents



**Legend:** *Sub* – under, *Între* – Between, *Peste* – over

**Source:** Population and Housing Census 2021

(2023, available at <https://www.recensamantromania.ro/>)

It is worth noting the existence of one locality with less than 100 residents (Bătrâna, Hunedoara County) and 22 localities (0.69% of the total) with a population between 100 and 500 inhabitants.

Analysing the localities by category, it is highlighted that:

- As far as cities are concerned, most of these 50% have a population between 5000 and 10000 inhabitants;
- The most numerous municipalities in Romania are included in the groups of 50,000-100,000 inhabitants, 20 municipalities (23.26%) and 10,000-20,000, 19 municipalities (22.09%);
- Most communes, 771, are in the category of 2000-3000 inhabitants, the next category being that of communes with a population between 1000 and 2000.

As general conclusions from the analysis of the data presented, we note that 2501 localities in Romania, i.e., 78.62% of the total, have a population of up to 5000 inhabitants, and 23 (0.72%) of them have even less than 500 inhabitants.

It is also noted that there is a disproportion of the number of inhabitants in relation to the status of the locality, in the sense that 1.57% of the communes have a population of over 10,000 inhabitants, while almost 20% of towns have a population of up to 5,000 inhabitants. Therefore, based only on the criterion of the number of inhabitants, there are communes that would sooner fall into the category of towns than communes and vice versa. Thus, there are communes such as Florești in Cluj County, whose population exceeds 50,000 inhabitants, or Chiajna in Ilfov County, whose population exceeds 45,000 inhabitants, much more than many cities in Romania.

While the public approach is to reduce budgetary expenditure, it is still essential to consider a number of aspects related to the financial resources of the local public administration authorities.

Thus, according to the GEO no. 57/2019 on the Administrative Code, with subsequent amendments and additions, "...administrative-territorial units are entitled to their own financial resources, which the local public administration authorities establish, manage and use for the exercise of their competence and duties, under the law." In addition to these general legal provisions, Law No. 273/2006 on local public finances sets out the exact sources from which the budget revenues of local authorities are constituted. Thus, the normative act in question states that "local budget revenues consist of:

- own income, consisting of taxes, duties, contributions, other payments, other income and income tax deductions;
- amounts broken down from some state budget revenues;
- subsidies received from the state budget and other budgets;
- donations and sponsorships;
- amounts received from the European Union and/or other donors on account of payments made and pre-financing."

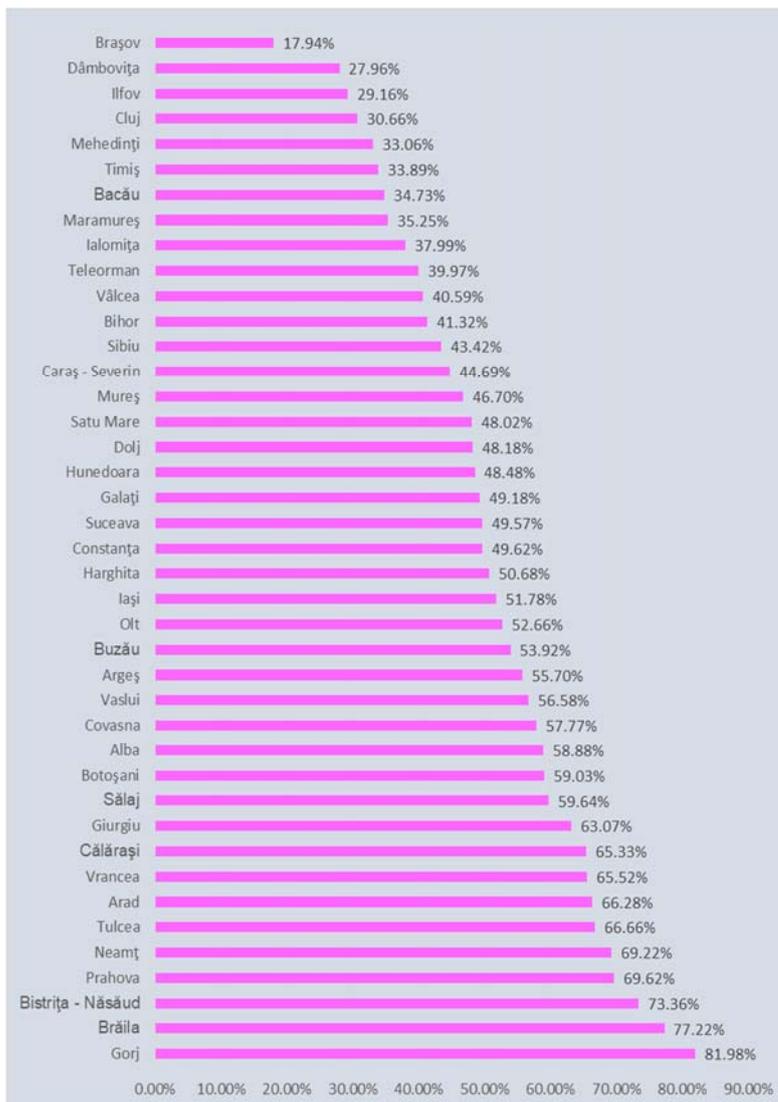
Regarding the revenues and expenditures of the administrative territorial units in Romania, we are considering a brief analysis based on data published by the Ministry of Regional Development and Public Administration for the year 2022.

Thus, according to this data, 47.08% of all Romanian localities ended 2022 with total expenses higher than total revenues. In this situation are 47.57% of Romania's 103 municipalities, 47.22% of Romania's 216 cities and 46.47% (1330) of the country's 2862 communes.

The analysis was made in a context where the own revenues represent only 43.55% of the total revenues of Romanian communes, 51.79% in the case of towns and 72.62% in the case of municipalities.

In the figure below we present the situation of the country's counties according to the share of administrative territorial units that ended 2022 with total expenses higher than total revenues.

**Figure 3.** Romanian counties according to the number of localities that had in 2022 expenses higher than revenues



Source: Ministry of Regional Development and Public Administration

Another extremely important aspect to be considered when carrying out territorial administrative reform is that related to the public services that local authorities provide to the citizens of the communities they administer.

Thus, regardless of the type of locality, there are legal obligations regarding the provision of services in the following areas, depending on the specifics of each locality:

- Collection of local taxes and fees
- Local public services for records of persons and civil status
- Agricultural register, land registry and cadaster
- Spatial planning and town planning
- The service for emergency situations
- Education and support services for education
- Health
- Culture, sport and leisure
- Social assistance and guardianship authority
- Water supply and sewerage
- Public lighting
- Sanitation and waste management
- Production, transport, distribution and supply of thermal energy in centralised systems
- Authorisation of local passenger transport
- Public order and peace
- Traffic on public roads
- Construction discipline and street display
- Environmental protection
- Commercial activity
- Administration of the public and private domain of the administrative-territorial unit
- Landscaping, management of green spaces, parks and public gardens
- Urban furniture
- Maintenance, repair, operation of public roads
- Organisation and operation of agri-food markets
- Development and operation of public parking lots
- Administration of the housing fund
- Animal control
- Other public domain administration activities

- Lifeguard and mountain rescue
- Relations with owners' associations
- Thermal rehabilitation of housing blocks

### 3. Perspective

Considering what has been presented in relation to living in the territorial administrative units of Romania, with their financial situation but also with the public services that the local authorities provide in their communities, there are some aspects that need to be taken into account when discussing the territorial administrative reorganisation of the country.

First of all, we consider the administrative and territorial reform of Romania as a necessity.

All the measures that have targeted the administrative system over the last 30 years have omitted this matter, which was in fact an essential one. Practically, any reform in the Romanian public administration system should have started precisely from the territorial administrative reorganisation, but the reality is that it was done exactly the opposite. The old administrative-territorial structures of the communist state were preserved, and based on their existence, the new Romanian administrative system was created. In this context, it is certain that all sorts of more and more complicated problems appeared over the years, as essential principles such as administrative and financial autonomy were implemented in a system based on territorial structures that did not correspond under any circumstances to the social and economic realities of the country and were even a symbol of administrative centralism.

A real territorial administrative reform was not carried out in Romania even when the European requirements demanded it. At that time, in Romania it was decided for a “compromise solution”, leading to the emergence of development regions, which, as mentioned, do not have legal personality, being territorial-statistical units.

The subject of territorial administrative reform of the country has always been a topical one for the whole society, but especially for the political area, where it has always appeared in important political moments and disappeared without reaching any concrete solution. In fact, the subject was a permanent electoral theme, and it

contains an extremely simple mechanism: reducing the number of territorial administrative units would reduce budget expenditure, in the sense that there would be fewer local public authorities, specialized apparatuses of the mayor, and consequently less expenses would result in the operation of the administrative system.

The current debates in the Romanian public space are based on exactly the same motivations, those of saving financial resources. The territorial administrative reform, achieved by reducing the number of territorial administrative units in Romania, is seen as a solution to reduce public expenses, and the data presented above in relation to the number of inhabitants of the territorial administrative units or their surplus expenses in relation to their revenues, certainly serve as strong arguments in order to achieve this endeavour.

A second essential aspect is that Romania cannot function with the current number of territorial administrative units. We believe that they should be reduced.

The problem that arises is how to make this reduction and, especially, what are the criteria that will underpin the territorial administrative reform mechanism.

Is the criterion of the number of inhabitants an infallible one that, once applied, will create in Romania a flexible and functional administration that will provide public services to the population in the quantity and quality required by local communities? The same question applies to the criterion related to the financial balance of the territorial administrative units.

In order to answer this question, we will use the data presented above. We will also take into account that rather widely used public threshold/criterion of 5000 inhabitants. In this version, localities with a population of less than 5000 inhabitants would be abolished. In other words, taking into account the LPR 2021 data, there is the issue of abolishing **almost 80% of the administrative territorial units in Romania, most of them being communes.**

On the other hand, the approaches that concern the issue of territorial administrative reorganisation from a purely budgetary perspective, consider the abolition of territorial administrative units whose expenses exceed revenues. Considering the data presented above, which relate to the reality of the last completed budget year, i.e., 2022, we notice that **approximately half of territorial administrative units in Romania are in this situation, but this time we are talking about many major towns and even municipalities in Romania.**

Thus, here are two solutions based on two very clear criteria which at first sight lead to correct solutions. Strictly mathematically, it is likely that the two criteria are valid and even answer the problem, i.e., reducing the number of territorial administrative units.

The big problem that arises is whether the exclusive application of one of these criteria will also result in the reduction of public expenses. And even if this reduction is achieved, there will certainly be the question of the repercussions for the population. Will citizens still receive public services from local authorities? In sufficient quantity? At what quality and especially at what cost? In this context, we believe, on the one hand, that the use of such previously presented criteria will not lead to a satisfactory reduction of public expenses so that the reform is considered a success, and that the consequences for citizens will be major in terms of public services received and their costs.

Reducing the number of territorial administrative units strictly based on criteria related to the number of population or the financial balance will lead to the emergence of new mammoth territorial administrative units in terms of administered area. At the moment, such situations exist in the case of some communities, especially in the mountain areas, or in the context of reorganisation, things will become even more complicated in this respect. There will be dissatisfied citizens because they will have to travel longer distances in order to solve their problems because of poor digitisation or social assistance services (which cannot be digitised), they will have to make additional expenses, spend more time or simply feel unmanaged. On the other hand, there will be the problem of organising certain administrative structures or their elements at the level of the former territorial administrative units that have been abolished, in order to maintain contact with the citizens who must be administered (structures such as agencies/offices of town halls). In this context, it is very likely that the costs for the operation of local public administration authorities will not only not decrease but may even increase in the case of many such territorial administrative units.

Moreover, there are extremely important localities in Romania from a historical or cultural point of view which, not having 5000 inhabitants, would be abolished. An example of this is Sarmisegetusa in Hunedoara County. The locality has a special importance for the history of Romania, but it would not meet the criterion of the number of inhabitants to remain an administrative territorial unit, it would be

abolished and possibly joined to another administrative territorial unit. But can we, as a nation, afford to lose such a symbol?

On the other hand, there is certainly a kind of local pride, belonging, local identity that is extremely important for the inhabitants of a territorial administrative unit. There are also many administrative territorial units that have important patrimony assets but could not meet this criterion of the number of inhabitants.

Another extremely important aspect would be that we are still in a free country, with a democratic society based on a series of principles and values that are in total contradiction with the adoption of decisions that would not involve the popular will in any way, but would bring faster with decisions that we limit ourselves to calling only as “sad memories”.

An old Romanian saying says “... let's measure several times and cut only once”. So, this is how folk wisdom once again offers the solution to our current problems. It is clear that one of the reasons why we ended up in this situation of needing such a reform is precisely the fact that this popular advice was not taken into account.

Of course, such a major reform is a national project that can only be carried out based on in-depth studies and analysis, but also under the conditions of the existence of broad political support among the population. The topic is so important that it is likely to be the subject of consensus at least in the political area and of strong popular support.

The question of the will of the political class in this matter is essential because, as I said before, the subject has been present in the Romanian public space for a very long time, but there was no political will to make it a reality. In practice, the political parties, although aware of the need for territorial administrative reform and even of the situation of numerous depopulated territorial administrative units unable to support their own expenses, have been interested in maintaining this situation. A territorial administrative reform would have meant reducing the number of territorial administrative units, and consequently also reducing the number of mayors, or as we know, mayors are extremely important in elections because they bring votes. And so, due to the lack of other political means at their disposal, even the internal democracy of the parties ended up suffering in the context in which the mayors of the parties, aware of their strength within the formation, began to dictate certain policies, including blocking any attempt at

territorial administrative reform. The issue became even more complicated with the introduction of the system of electing the mayor in a single round of voting.

Another important element was the introduction of the system of direct election of the county council president, giving him or her an even stronger status and position in the administrative architecture of the county. From a political point of view, the county council president is also a very powerful figure with impressive influence within his/her political party.

In this context, the will of political parties on this issue is directly influenced by the will of these categories of local elected representatives. In principle, at least at the declarative level, they agree with territorial administrative reorganisation. Certainly, the mayors of larger administrative territorial units, with a larger population or with higher budgetary revenues, support territorial administrative reorganisation by reducing the number of localities, because it is clear that in this situation they will be advantaged. On the other hand, however, there are many mayors who see their jobs at risk and will therefore try to oppose such an approach. The county council presidents are in a similar situation.

#### 4. Conclusions

Despite all contrary positions, the administrative territorial reorganization of Romania will have to be carried out, and the main objectives of this approach must be to achieve the national/local interest and the well-being of the country's citizens by ensuring quality public services and creating competitive administrative territorial entities at European level able to ensure economic and social development.

From this point of view, we believe that the territorial administrative reorganisation of the country will have to target all categories of territorial administrative units, although lately priority has been given to reducing the number of communes. In order to ensure coherence in the functioning of the administrative system, of the state in general, it is necessary to think and implement a complete project including the elements of regionalisation of the national territory and not only those of physical reduction of the number of existing territorial administrative units.

Thus, regions will have to be defined as administrative territorial units with legal personality to ensure coherence in the functioning of the state but, at the same time, ensure the needs of social and economic development in accordance with the realities of the Romanian society, with the history and culture of the Romanian people, but, at the same time, applying European principles in this matter.

Certainly, a significant step will be the establishment and formalization of a special statute for the Municipality of Bucharest, taking into account the extraterritorial influence that it manifests in relation to the territories of Ilfov County, in particular.

Regarding the rest of the existing territorial administrative units, we consider it appropriate, as we have previously indicated, to reduce them. However, we cannot support a brutal reduction, from the centre, of them by abolishing them based only on criteria such as the number of inhabitants or their budgetary revenues. Such a solution would create major shortcomings in the functioning of the state and in the economic development of the country and could be a colossal mistake in terms of the future evolution of Romania.

The reduction in the number of territorial administrative units, of communes in particular, must, beyond the number of inhabitants, take into account the history and evolution of the Romanian society, as well as the major urban development trends. We consider it appropriate that the reduction of the number of territorial administrative units should be based, for example, on major investment projects. The territorial administrative units could be merged considering such projects, in the context of reducing the urban/rural gaps, but also between the different areas of the country.

To give an example of this, we bring up the administrative territorial units in the Panciu area, Vrancea county. The town itself has suffered in recent years in terms of population, with the disappearance of local economic structures and migration leading to a significant reduction in the number of inhabitants. The same phenomenon was also recorded in many communes in the vicinity of the town. On the other hand, the town retains its influence from many points of view on the surrounding communes, there being a *de facto* recognition of this from the inhabitants. One of the most important local occupations is the one related to viticulture, the vineyards having a particularly international reputation, currently both in the town and in the surrounding communes there are important economic

capacities in this field. Basically, the town of Panciu and the nearby communes can create an economic pole based on the wine industry, developing wine tourism in parallel, taking advantage of the important touristic and historical resources in the area, ultimately leading to the creation of a new territorial administrative unit, based on the idea that “the community and not the territorial administrative unit is the engine of development”. Beyond this example, there are many similar situations at national level.

Also, in the context of the urbanisation of many municipalities in the immediate vicinity of large cities as a result of the extension of their influence, including through the expansion of some public services, we propose to support and develop metropolitan areas and administrative consortia as logical means of creating future new territorial administrative units.

On the other hand, the case of isolated communes in mountain areas, or in other areas such as those in the Danube Delta, should also be taken into account. In their case, special statutes could be formalised to ensure more flexible administrative structures, but at the same time meet the needs of the citizens of these communities. In this case too, the territorial administrative organisation should take into account investment projects and the future economic development of these administrative territorial entities.

Therefore, the territorial administrative reorganisation should take into account multiple sets of social, economic, cultural, historical, geographical, infrastructural, territorial management and public services management criteria, beyond the “classic” criteria, such as the number of inhabitants.

The approach of administrative reorganisation of Romania must not only take into account, but even emphasise the fact that local public administration is the administrative level closest to the citizen and able to know and respond to the needs expressed by the community. Its main role is to provide public services to the community in the quantity and quality they require. Modern administration means being strongly involved in local economic development, shaping medium and long-term prosperity and ensuring social cohesion and people's well-being.

From this point of view, beyond the reduction, merging some localities, the reorganization and/or the abolition of counties and/or the creation of regions in Romania, there are a series of “postulates” according to which the Romanian administration must operate.

◆ Dragoș Valentin Dincă, Cătălin Chiper ◆

The digitisation of most of the public services provided to the population and of public administration in general is, in our view, an essential aspect for the Romanian administration, for the well-being of its citizens, being a step that will pave the way for an important territorial administrative reform. In the same sense, better organisation of public administration activity in general and public services in particular, through better inter-institutional communication and the application of modern principles of organisational management, remains a priority.

As a final point, we believe that any territorial administrative reform that would be carried out must be based on public consultation and active involvement of citizens. The process must not be, as we said above, a centralised one, carried out “from a pen to an office”. The nature of the reform process, achieved by adopting a partnership with citizens, will be the key to the success of territorial reform. In the absence of active participation of citizens in the reform process, the approach will certainly not contribute to achieving the established objectives.

Beyond all these aspects, we believe that the first step in the discussion on administrative-territorial reorganisation is a precise definition of the problem: why is reorganisation necessary? Is there real administrative and financial decentralisation in Romania? Why do the territorial administrative units not have sufficient resources? Are they somehow limited and the state is the main 'collector', out of a desire to control the 'local' by redistributing them according to unclear criteria? Are the administrative procedures and the legal framework in general unclear and their application involves too much resource consumption? Isn't there an imbalance at local level between skills/attributions and resources? Isn't the local level of administration the “guardian on duty” of the State, good at everything? Wouldn't serious digitisation reduce operating costs? Are there too many local councillors and do they consume a lot of resources? ...and the questions could go on.

All this has the role to raise an alarm signal: a superficial administrative reorganisation would not only not lead to the reduction of expenses so much invoked (no one took into account the cost of reorganisation, from changing the property documents of the population to the relocation of institutions), but represents a source of administrative disruption and loss of local identity. Anyway, it just seems like an election theme that we won't see in practice any time soon.

---

## References

- Directorate for Local Fiscal and Budgetary Policies of the Ministry of Development, Public Works and Administration (2023). *Summary on the situation of revenues and expenditures of administrative-territorial units for the year 2022*, available online at: [http://www.dpfbf.mdrap.ro/sit\\_ven\\_si\\_chelt\\_uat.html](http://www.dpfbf.mdrap.ro/sit_ven_si_chelt_uat.html) [Accessed on 12.12.2023].
- Government Emergency Ordinance No. 57/2019 on the Administrative Code, with subsequent amendments and additions.
- Law No. 2/1968 on the administrative organisation of the territory of the Socialist Republic of Romania, with subsequent amendments and additions.
- Law No. 273/2006 on local public finances with subsequent amendments and additions.
- Law No. 51/2006 on community public utility services, republished with subsequent amendments and additions.
- National Institute of Statistics (2023). *Results of the 2021 Population and Housing Census*, available online at: <https://www.recensamantromania.ro/> [Accessed on 12.12.2023].
- The Constitution of Romania, republished.