CONGRESS OF LOCAL AND REGIONAL AUTHORITIES





44th SESSION

Report CG(2023)44-11final 23 March 2023

Original: English

Monitoring of the application of the European Charter of Local Self-Government in Romania

Committee on the Honouring of Obligations and Commitments by Member States of the European Charter of Local Self-Government (Monitoring Committee)

Rapporteurs:¹ Marc COOLS, Belgium (L, ILDG)

David ERAY, Switzerland (R, EPP/CCE)

Recommendation 494(2023)	2
Explanatory memorandum	ı

Summary

This is the 4th report assessing the implementation of the Charter in Romania.

The rapporteurs conclude that the country's system of local self-government works well and that the obligations of the Charter are generally fulfilled.

They note with satisfaction the improvement of the consultation framework as well as the weight of local authorities in public spending. The delegation also notes the precious role of the Court of Accounts improving the efficiency and transparency of the local sector. The rapporteurs highlight the positive effects of the reform of metropolitan areas and the proposals made to strengthen cooperation between rural communes.

However, the report points out a few issues that deserve special attention. In particular, the weakness and fragmentation of the communes, in rural areas; the transfers of competences that are not always accompanied by the necessary financial resources; strengthening the regional level and the currently limited possibility for local authorities to finance investments. There is also a lack of transparency in the allocation of financial resources between the central and local levels.

Therefore, it is recommended to improve and facilitate voluntary mergers or cooperation between municipalities; to allocate the financial resources corresponding to responsibilities exercised by local authorities. In addition, national authorities are encouraged to respect the legal deadlines to ensure the good conduct of the consultation process. Furthermore, the delegation recommends providing the capital city of Bucharest with substantial procedural safeguards to guarantee its autonomy.

The report also encourages Romania to sign and ratify the Additional Protocol to the Charter (CETS No 207), as well as to withdraw its reservations to Article 7.2, which is currently being applied in practice.

^{1.} L: Chamber of Local Authorities / R: Chamber of Regions.

EPP/CCE: European People's Party Group in the Congress.

SOC/G/PD: Group of Socialists, Greens and Progressive Democrats.

ILDG: Independent Liberal and Democratic Group.

ECR: European Conservatives and Reformists Group.

NR: Members not belonging to a political group of the Congress.

RECOMMENDATION 494(2023)²

- 1. The Congress of Local and Regional Authorities of the Council of Europe refers to:
- a. Article 2, paragraph 1.b, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that one of the aims of the Congress is "to submit proposals to the Committee of Ministers in order to promote local and regional democracy";
- b. Article 1, paragraph 3, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that "The Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in States which have applied to join the Council of Europe, and shall ensure the effective implementation of the principles of the European Charter of Local Self-Government";
- c. Chapter XVIII of the Rules and Procedures of the Congress on the organisation of monitoring procedures;
- d. the Congress priorities set up for 2021-2026, in particular priority 6b that concerns the quality of representative democracy and citizen participation;
- e. the sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development, in particular Goals 11 on sustainable cities and communities and 16 on peace, justice and strong institutions;
- f. the guidelines for civil participation in political decision making, adopted by the Committee of Ministers on 27 September 2017;
- g. Recommendation CM/Rec(2018)4 of the Committee of Ministers to member States on the participation of citizens in local public life, adopted on 21 March 2018;
- *h.* Recommendation CM/Rec(2019)3 of the Committee of Ministers to member States on supervision of local authorities' activities, adopted on 4 April 2019;
- *i.* the previous Congress Recommendation on the monitoring of the European Charter of Local Self-Government in Romania [Recommendation 300 (2011)];
- *j.* the explanatory memorandum on the monitoring of the European Charter of Local Self-Government in Romania. [CG (20)09].
- 2. The Congress points out that:
- a. Romania joined the Council of Europe on 7 October 1993, signed the European Charter of Local Self-Government (ETS No. 122, hereinafter "the Charter") on 4 October 1994 and ratified it on 28 January 1998. Romania has not signed the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of local authorities (CETS No. 207).
- b. Romania has made a reservation concerning Article 7 paragraph 2 and an interpretative declaration regarding Article 4 paragraph 4 and 5 of the Charter.
- c. The Committee on the Honouring of Obligations and Commitments by member States of the European Charter of Local Self-Government (hereinafter referred to as Monitoring Committee) decided to examine the situation of local and regional democracy in Romania in the light of the Charter. It instructed Marc COOLS, Belgium (L, ILDG) and David ERAY, Switzerland (R, EPP/CCE), with the task of preparing and submitting to the Congress a report on the implementation of the Charter in Romania. The delegation was assisted by Prof. Tania GROPPI, member of the Group of Independent Experts on the European Charter of Local Self-Government, and the Congress Secretariat.
- d. The monitoring visit took place from 12 to 13 October 2022. The Congress delegation met the representatives of various institutions at all levels of government. The detailed programme of the monitoring visit is appended to the explanatory memorandum.

² Debated and adopted by the Congress on 23 March 2023, 3rd Sitting (see Document <u>CG(2022)44-11</u>, explanatory memorandum), co-rapporteurs: Marc COOLS, Belgium (L, ILDG) and David ERAY, Switzerland (R, EPP/CCE).

- e. The co-rapporteurs wish to thank the Permanent Representation of Romania to the Council of Europe and all those who they had exchanges with during these meetings.
- 3. The Congress notes with satisfaction:
- a. the progress made by Romania since Recommendation 300 (2011), especially on the consultation of the local authorities, even if there is still room for some improvements;
- b. the substantial weight of the local authorities' sector on the public expenditures;
- c. the reform on metropolitan areas and the proposals to strengthen cooperation between rural communes;
- d. the role of the Court of Accounts in enhancing the efficiency and transparency of the local sector;
- e. the de facto respect of Article 7, paragraph 2, of the Charter on the financial compensation of elected local representatives.
- 4. The Congress draws the attention of national authorities to the following issues:
- a. the weakness and fragmentation of the communes, in rural areas, undermining their capacity to carry out their competences;
- b. the necessity to improve and facilitate voluntary mergers or intermunicipal cooperation;
- c. the transfer of powers concerning local public services is not always accompanied by financial resources commensurate with their responsibilities;
- d. the lack of transparency in the allocation of financial resources between the central and local levels of government which does not allow the real needs of local authorities to be addressed;
- e. the limited use of their financial autonomy by local authorities, which depend mostly on State or European funds:
- f. the limited possibility for local authorities to finance investments;
- g. the necessity to strengthen the regional level;
- h. the lack of a special autonomy for Bucharest, in the light of Recommendation 452 (2021) of the Congress on the Status of Capital Cities;
- i. the sometimes too short deadlines within which associations are consulted by the government;
- *j.* Romania has not signed nor ratified the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority.
- 5. In light of the foregoing, the Congress requests that the Committee of Ministers invite the authorities of Romania to:
- a. improve and facilitate voluntary mergers or intermunicipal cooperation;
- b. allocate to the local authorities financial resources commensurate with their responsibilities, as stated in Article 9 paragraph 2 of the Charter, thus enabling them fully to exercise their functions and to improve their possibility to finance investments;
- c. improve existing measures to prevent all forms of political interference at local level and ensure transparent, equitable distribution of resources between the central and local levels;
- d. continue the reforms on regional development in order to involve the regions in territorial administration;

CG(2023)44-11final

- e. establish a special autonomy for Bucharest, in the light of Recommendation 452 (2021) of the Congress on the Status of Capital Cities, in order to provide substantial procedural safeguards to guarantee the capital city's autonomy and minimise the risk of interference from other levels of government;
- f. comply with the deadlines set up in the legal framework in order to ensure a consultation in due time;
- g. consider lifting its reservation to Article 7 paragraph 2 made at the time of the ratification of the Charter since the regulation concerning this matter seems *de facto* to be in compliance with this provision of the Charter;
- *h.* sign and ratify the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority.
- 6. The Congress calls on the Committee of Ministers and the Parliamentary Assembly of the Council of Europe to take account of this recommendation on the monitoring of the European Charter of Local Self-Government in Romania and the accompanying explanatory memorandum in their activities relating to this member State.

EXPLANATORY MEMORANDUM

Table of contents:

1.	INTRODUCTION: AIM AND SCOPE OF THE VISIT, TERMS OF REFERENCE	6
2.	INTERNAL AND INTERNATIONAL NORMATIVE FRAMEWORK	6
2.1 2.2	Local government system (constitutional and legislative framework, reforms) Status of the capital city	
2.3 2.4	Legal status of the European Charter of Local Self-Government Previous Congress reports and recommendations	17
3.	HONOURING OF OBLIGATIONS AND COMMITMENTS: ANALYSIS OF THE SITUATION OF LOCAL DEMOCRACY ON THE BASIS OF THE CHARTER (ARTICLE BY ARTICLE)	
3.1	Article 2 – Constitutional and legal foundation for local self-government	18
3.2	Article 3 – Concept of local self-government	19
3.3	Article 4 – Scope of local self-government	
3.4 3.5	Article 5 – Protection of local authority boundaries	
3.6	Article 6 – Appropriate administrative structures and resources	
3.7	Article 8 – Administrative supervision of local authorities' activities	
3.8	Article 9 – Financial resources	
3.9	Article 10 – Local authorities' right to associate	
3.10	Article 11 – Legal protection of local self-government	36
4.	OTHER MATTERS RELATED TO THE FUNCTIONING OF LOCAL AND REGIONAL SELF-GOVERNMENT	
5.	ADDITIONAL PROTOCOL TO THE CHARTER ON THE RIGHT TO PARTICIPATE II AFFAIRS OF THE LOCAL AUTHORITY	
6.	CONCLUSIONS AND RECOMMENDATIONS	40
APPE	NDIX – Programme of the Congress monitoring visit to Romania (12-13 October 202	2) 42

1. INTRODUCTION: AIM AND SCOPE OF THE VISIT, TERMS OF REFERENCE

- 1. Pursuant to Article 1, paragraph 3, of the Charter of the Congress of Local and Regional Authorities (hereinafter referred to as "the Congress") appended to Statutory Resolution CM/Res (2020)1, the Congress of Local and Regional Authorities regularly prepares reports on the State of local and regional democracy in all Council of Europe member States.
- 2. Romania joined the Council of Europe on 7 October 1993, signed the European Charter of Local Self-Government (ETS No. 122, hereinafter "the Charter") on 4 October 1994 and ratified it on 28 January 1998. The Charter entered into force in Romania on 1 May 1998. Romania made a reservation and an interpretative declaration. The reservation concerns Article 7, paragraph 2 of the Charter, which does not apply in Romania; the interpretative declaration concerns the term "regional authority" referred to in Article 4, paragraphs 4 and 5 of the Charter as this corresponds in Romania to the county administrative authority (Romania has only one intermediate tier of administration, which is the county). Romania has not signed the Additional Protocol to the European Charter of Local Self-Government on the rights to participate in the local government affairs (CETS No. 207).
- 3. The Committee on the Honouring of Obligations and Commitments by member States of the European Charter of Local Self-Government (hereinafter referred to as Monitoring Committee) decided to examine the situation of local and regional democracy in Romania in the light of the Charter. It instructed Marc COOLS, Belgium (L, ILDG) and David ERAY, Switzerland (R, EPP/CCE), with the task of preparing and submitting to the Congress a report on the implementation of the Charter in Romania. The delegation was assisted by Prof. Tania GROPPI, member of the Group of Independent Experts on the European Charter of Local Self-Government, and the Congress Secretariat. The rapporteurs wish to express their thanks to the expert for her assistance in the preparation of this report. This group of persons will be hereinafter referred to as "the delegation".
- 4. The monitoring visit took place from 12 to 13 October 2022. The Congress delegation, as a regular practice, met the representatives of various institutions at all levels of government, except for the Constitutional Court, who was not able to meet the delegation. The detailed programme of the monitoring visit is appended to the explanatory memorandum.
- 5. The co-rapporteurs wish to thank the Permanent Representation of Romania to the Council of Europe and all those who they had exchanges with during these meetings.
- 6. According to Rule 88.3 of the Rules and Procedures of the Congress of Local and Regional Authorities of the Council of Europe, the preliminary draft report was sent to all interlocutors met during the visit for their comments and possible adjustments or corrections (hereinafter referred to as "consultation procedure"). The present report is based on the comments received, which have been considered by the co-rapporteurs before submission for approval to the Monitoring Committee.

2. INTERNAL AND INTERNATIONAL NORMATIVE FRAMEWORK

2.1 Local government system (constitutional and legislative framework, reforms)

2.1.1 Constitutional and legislative bases of local government in Romania

7. Romania is a country that covers an area of 238,391 km² with a population of 19,038,098 (10,281,000 in urban areas).³ The modern Romanian State was founded in the second half of the 19th century and adopted the uniform structure of France's institutional model for local government.⁴ Since its creation, local government of the Romanian modern State has been organised in two tiers (local level and county level) and this has remained a constant feature in spite of the changes in Romania's system of administrative organisation. Given the priority of building a functional and coherent institutional structure at the level of the State, local self-government was initially regarded as a secondary objective: local public authorities were conceived as complementary to central decision-making ones and enjoyed autonomy only insofar as it did not undermine the general interests of the national community.⁵

³ Resident population on January 1, 2022: https://insse.ro/cms/sites/default/files/com_presa/com_pdf/poprez_ian2022r_0.pdf

⁴ D.-V. Dincă, Sistemul administrativ românesc. Inspirație franceză și adaptare românească, Economica, Bucharest, 2012.

⁵ E. S. Tănăsescu, Romania, in F. Merloni (ed), Regionalisation Trends in European Countries (2007-2015), Strasbourg, 2016, p. 149 ss

- 8. Local self-government is not a firmly established feature of Romanian institutional culture, at least in comparison with other European countries.⁶ After the events of December 1989 and the transition to democracy, decentralisation entered the government agenda rather as a result of international political pressure (Council of Europe, European Union) that as for a domestic initiative.
- 9. According to Article 3, paragraph 3 of the 1991 Constitution, the territory is divided into communes (comune), which may include one or more villages, towns (orașe), and counties (judete). Under the conditions specified by law, the bigger towns are designated municipalities (municipii). In section 2, as amended in 2003, Article 120 declares "decentralisation" to be one of the basic principles of local public administration. It also refers to "local autonomy of communes and towns" in Article 121, while in Article 122 it states the coordinating function of the county.
- 10. Organic laws (approved by a qualified majority) regulate, according to Article 73.3 of the Constitution, "o) the organisation of local public administration, of the territory, as well as the general regime regarding local autonomy". The general legal framework for decentralisation and local self-government is provided by a set of laws which have changed significantly over time. The 1991 law on local public administration was substantially improved by the law passed in 2001 and by subsequent reforms, which took inspiration from the European Charter of Local Self-Government. The law on local public finance, which was passed only in 1998, was also replaced by improved versions (from the point of view of local self-government) in 2003, 2006 and in 2015. This legislative framework has been supplemented by a range of other sector-specific measures, which provided for further transfers of responsibilities or expenditure (public services) from central to local level.

Recent legal developments

- 11. It is interesting to note that economically, Romania's more lax approach to controlling the pandemic means that the economy was able to rebound quickly after a sharp decrease in 2020, growing 7% in 2021, about 3% growth compared to 2019 levels. In the last few years, notwithstanding the fact that Romania continues to struggle with political instability, political polarization, a lack of judicial independence and integrity, high corruption, economic stagnation, and social outmigration in the face of the COVID-19 pandemic, as pointed out by many international organisations, some important acts have been adopted in the field of local government.
- 12. In order to create the conditions for increasing the quality and efficiency of services and local development, the Government Decision (HG in Romanian) no 229 of April 12, 2017, known as the General Strategy for Decentralization, was approved. The main objective of this strategy is to transfer new competences from the center to local authorities, in particular the municipality and the county, in the areas of agriculture, culture, tourism, environment, health, education, extracurricular activities, youth and sport.9
- 13. In 2019, the Administrative Code was introduced, by the Emergency Ordinance of the Romanian Government no 57, 2019)10, with the aim of clarifying and making efficient the public government. 17 legal acts have been abrogated further to the entering into force of the Administrative Code (16 of them (art. 597, paragraph 2 lett. a)-p) when the Administrative Code entered into force and the 17th (paragraph 3 at 180 days from the entering into force of the Administrative Code). It is the first extensive regulatory intervention on the role, positions, organisation and functioning of the two administrative levels: central government and local government, and the main pillars of their activity: personnel of the central and local government authorities, public and private property of the state and administrative territorial units and public services provided by the central and local government authorities. The process of substantiating and drafting the Administrative Code has been carried out with the support of a large number of actors involved in the government or beneficiaries of provided services (representatives of institutions and central and local public authorities, associations of local government authorities, civil society, academia, various practitioners, etc.).

⁶ E.S. Tănăsescu, Local government in Romania, in A.M. Moreno (ed), Local Government in the Member States of the European Union. A Comparative Perspective, Madrid, 2012, p. 534.

⁷ See Bertelsmann Stiftung, Romania Report Sustainable Governance Indicators 2022. https://www.sgi-network.org/docs/2022/country/SGI2022_Romania.pdf

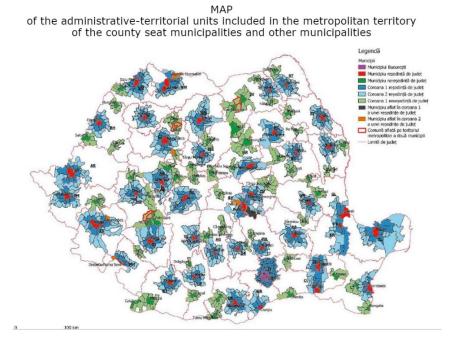
⁸ HOTĂRÂRE nr. 229 din 12 aprilie 2017 privind aprobarea <u>Strategiei</u> generale de descentralizare.

⁹ A. Tudor, La décentralisation en Roumanie depuis 1859, L'Harmattan, Paris, 2021, p.371.

¹⁰ ORDONANȚĂ DE URGENȚĂ nr. 57 din 3 iulie 2019 privind Codul administrative.

14. New legislation has been introduced on metropolitan areas, which are now regulated by Article 5 qq) of the 2019 Administrative Code and by the Law no 246 of July 20, 2022. Metropolitan areas are not administrative-territorial units. They can be established by the county municipalities or other municipalities, together with communes sharing a common territorial border (crown 1) as well as with communes sharing a common border with neighbouring communes (crown 2). By decisions of the deliberative authorities, the administrative-territorial units can mandate the metropolitan areas to exercise, on their account and in their name, some attributions within their competence. Metropolitan areas are financed by contributions from the local budgets of the member administrative-territorial units. The government can support metropolitan development in Romania and the activity of metropolitan areas through national development programmes. During the consultation procedure, the delegation was informed by the Ministry of Development, Public works and Administration that in December 2022, the Decision no. 1575 was adopted by Government on the first Romanian Urban Policy, that represents a vision for a sustainable, inclusive and resilient urban development and contains a common agenda for its implementation.

Table 1. Metropolitan areas



Source: Law nº 246/2022

2.1.2 Administrative territorial structure

- 15. Romania has two tiers of local government, called «administrative-territorial units». These forms of organisation constitute entities with full legal capacity, possess their own assets, and are subject to public law. The local administrative level which is constituted of communes (*comune*), towns (*orașe*) and municipalities (*municipii*); the intermediate administrative level by the county (*judete*). The Municipality of Bucharest (the Capital of the country) holds both municipality and county competences.
- 16. Today, Romania has 41 counties plus the municipality/city of Bucharest. The Law, which still regulates the administrative organisation of Romania was adopted in 1968 (Law nº 2/1968 on the administrative organisation of the territory of the Socialist Republic of Romania). It is a relatively short piece of legislation, with only 10 articles, which restricts itself to describing coordination and basic administrative units and enumerates the 41 counties and 45 municipalities that Romania has, with appendices giving the list of cities and the list of communes. Although this law has been frequently revised over the last 55 years, whenever a commune has been transformed into a town or a town has been labelled municipality/city, it has never been quashed.
- 17. Romania has a significant number of small municipalities. As of 2019, communes (rural municipalities) have an average population of almost 3,400 and more than 10% of them have less than 1,500 inhabitants. The average population of towns is above 10,000, but 10% of them have

less than 5,000 people. The average population of cities is 80,000, but with large variation: almost 15% have less than 20,000 inhabitants while 10% have more than 200,000 people¹¹.

Table 2. Number and average population of local governments

L.g. type	Number of LGs	Average domiciled population 2019	Total domiciled population 2019
Commune	2862	3.379	9.670.339
Town	216	10.871	2.348.135
City	102	78.638	8.021.078
County	41	488.770	20.039.552
Bucharest	1	2.131.034	2.131.034
Total	3.222		21.170.586

Source: NALAS, Fiscal Decentralization Report, 8th Edition, p. 159

Organisation of the local authorities

- 18. According to Article 121 of the Constitution (and Article 106 of the Administrative Code), communal and city authorities are the elected local councils and elected mayors. Local councils are deliberative authorities, whereas mayors are executive authorities.
- 19. Local councils (*consiliul local*) are composed of councillors elected for a period of 4 years, and their number varies between 9 and 31; the municipality of Bucharest has 55 general elected councillors (figures provided by the Association of Municipalities in Romania. According to Article 112.1 of the Administrative Code of July 5, 2019, the number of local councillors is established by order of the prefect based on the number of inhabitants of the commune, city or municipality, as stated by the National Institute of Statistics on the 1st January of the year in which the elections are held.
- 20. The mayor (*primarul*) is directly elected for a term of 4 years. The vice-mayor is elected, by secret vote, with an absolute majority, from among the members of the local council, upon the proposal of the mayor or the local councillors. The mayor is the executive authority of the local government and he/she represents the State at local level for the specific competencies mentioned in the law (art. 155/2/a and art. 156 of the Administrative Code).
- 21. The county council (*consiliul judeţean*) is the authority of the public administration for coordinating the activity of the communal and city councils, in order to provide public services of county interest. The county council is elected and functions according to the law.(Article 122 of the Constitution). The county council is made up of members elected for four years by universal, direct and secret ballot. Its tasks are to ensure the organisation and proper functioning of the institution, the socio-economic development of the county and the management of the county's public services and assets in compliance with the law. The president (*preşedinte*) of the county council was elected by and among members of the county council until 2008. Between 2008 and 2015 it was elected directly by the citizens. The 2015 revision of the Law on local elections eliminated the direct election. The Emergency Ordinance no 40 of 3 June 2019, regarding the modification and completion of Law no 115 of 19 May 2015 for the election of local public administration authorities, which modified the election of the president of the county council. Thus, the president of the county council is now elected directly by the citizens.

Competences

22. Legislation on decentralisation regulate the assignment of functional expenditure responsibilities. The expenditure assignment to Romanian local governments is regulated by the Administrative Code and by sector legislation drafted or issued by line ministries. The Administrative Code and the local public finance law set general rules for the allocation of responsibilities and their funding. The Administrative Code distinguishes between exclusive, shared and delegated competences in expenditure assignments (Article 110). The Code has classified expenditure responsibilities in three categories, based on the roles played by local authorities in service provision. Exclusive responsibilities refer to services whereby local authorities alone design and implement specific local policy, organise provision, manage assets and provide financing. For shared responsibilities, local and central

¹¹ NALAS, Fiscal Decentralization Report, 8th Edition, June 2021, p. 158 ss.

governments share at least one of the services' functions and each side's attributes should be clearly defined by sector legislation. Delegated competences are delivered by local authorities on behalf of the central government, which also fully funds them and determines how they should be provided. In all cases, the approval of primary and secondary regulations, control and monitoring are entrusted to central government agencies (and the Parliament).

23. In addition to the framework laws, sector legislation and the annual State budget law provide the details of expenditure assignment. The actual assignment of responsibilities for each service, including the rules for financing, is detailed in the sector legislation drafted (and issued) by line ministries¹². In addition, the annual State budget law makes concrete provisions on the size and allocation mechanism of conditional grants associated with shared and delegated responsibilities. During the consultation procedure, the Ministry of Development, Public work and Administration informed the delegation that when drawing up the budget, the local public administration authorities are those which set priorities in the financing of local public expenditure. Their justifications and approvals are carried out in strict correlation with the actual possibilities of receipt of revenue in the estimated local budgets. The commitment of expenditure shall be made only within the limits of the approved budgetary appropriations, in accordance with the provisions of Article 5(3) and (4) of Law No 273/2006 on local public finances, with subsequent amendments and additions. In accordance with the provisions of Article 49(9) of this normative law, the entities entrusted with the authorisation of appropriations shall fully ensure the expenditure of the operational sections of the budgets, during the implementation of the budget. Failure to comply with the provisions of Article 49(9) is an offence and is punishable by law. At the same time, in section 58 of the above-mentioned Act, the method of using the surplus is provided. with the possibility of using it to finance the expenditure of the development section, which also includes expenditure on financing projects.

24. All communes, towns and cities are expected to provide the same package of services, although in practice that is hardly the case, especially in communes. For counties, the responsibilities refer to services whose catchment area corresponds with county borders. In a few cases, however, such as county hospitals, the area of beneficiaries is larger than the county.

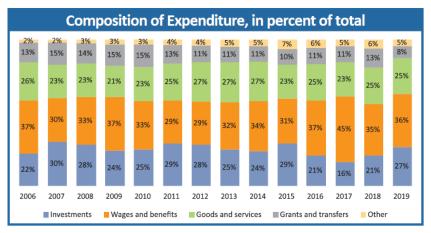


Table 3. Composition of Local Expenditure

Source: NALAS Statistical Brief - Local Government Finance Indicators in South-East Europe-second edition, 2020, p. 43

25. In the social sector, local government responsibilities are mainly shared with the central government. Local governments have exclusive responsibilities over primary social services for vulnerable groups, such as children, the elderly and victims of domestic violence (prevention, counselling, home care, day care). They provide home services to persons with severe disabilities, either through the hiring of a personal assistant or the provision of cash transfers. This responsibility meets the criteria of a delegated function because local influence over service provision is minimal.

26. Responsibilities in preuniversity education are shared with central government, which participates in decision-making and financing. Local governments own the buildings of preschools, primary, secondary and vocational schools. Their responsibilities in the field refer to organising the school

¹² Ex. Law on education (Law 1/2011); Law on the protection of the children (Law 272 /2004); Law on the protection of disabled persons (Law 448/2006); Law on healthcare reform (Law 95/2006): NALAS, *Fiscal Decentralization Report*, 8th Edition, p. 160.

network, ensuring conditions for schools' functioning and conducting capital improvements. They also take part in school decisions through representatives in school boards.

- 27. The responsibilities of local government in healthcare are also shared with central government. Local authorities are involved in the management and financing of public hospitals which they own and are the principal providers of community care services (i.e., health promotion and mediation for vulnerable groups), care provision in schools (i.e., primary care services and dental care for pupils, where such facilities are available) and social-medical care (i.e., long-term inpatient care for persons with chronic conditions). Local governments own the buildings of walk-in clinics where both many family physicians and outpatient specialty physicians provide services as private practices. Counties share all their responsibilities in the social sector with the central government. County councils are assigned responsibilities in residential social services for children, disabled persons and the elderly (foster care, family homes, residential centers, emergency centers). These are all shared with the central government mainly with regards to financing. Responsibilities in education are limited to special education and are shared with central government, which participates in decision-making and financing.
- 28. Counties own large and medium sized hospitals, which account for almost half of their total expenditure. Local authorities share with the central government mainly through the Ministry of Health and the National Health Insurance House responsibilities with regards to the management, maintenance, and financing of hospitals. The relationship between local governments and central government in the social sector is conducted within the limits defined by law. Local governments cooperate mainly with the deconcentrated representatives of line ministries which are typically located in the largest towns of a given county. The latter deal with service organisation, monitoring and control.

Finances

- 29. The Law on Local Public Finances, no 273/2006 enshrines the principle of local financial autonomy, according to which: the administrative-territorial units have the right to sufficient financial resources, which the local authorities can use in the exercise of their duties, on the basis and within the limits provided by law; local authorities have the competence to establish the levels of local taxes and charges, in accordance with the law; the allocation of financial resources for balancing local budgets must not affect the application of the budget policies of the local public administration authorities in their field of competence; the amounts broken down for special purpose are used by the local public administration authorities in accordance with the legal provisions.
- 30. Law no 273/2006 also establishes the categories of local budget revenues consisting of:
 - a) own income, made up of: taxes, charges, contributions, other payments, other income and broken-down income tax rates;
 - b) sums broken down from some revenues of the State budget;
 - c) subsidies received from the State budget and from other budgets;
 - d) donations and sponsorships;
 - e) amounts received from the European Union and/or other donors on account of payments made and pre-financing.
- 31. This principle is also established by Article 87 of the Administrative Code, according to which: "(1) Within the framework of the national economic policy, the administrative-territorial units have the right to their own financial resources, which the local public administration authorities establish, administer and use for the exercise of their competence and attributions, in accordance with the law.(2) The financial resources available to local public administration authorities must be correlated with the competence and attributions provided by law.(3) In order to ensure local autonomy, the deliberative authorities of the local public administration have the right to institute and collect local taxes and fees, to approve the local budgets of the administrative-territorial units, under the conditions of the law.(4) The establishment, ascertainment, imposition, fiscal inspection, collection, follow-up and forced execution, as well as the procedures for the administration of local budget receivables are carried out in accordance with the law.(5) The local public administration authorities manage or, as the case may be, dispose of the financial resources, as well as the public or private property of the administrative-territorial units, in accordance with the principle of local autonomy".

- 32. The fiscal regulations with regards to local taxes and duties are laid down in the Fiscal Code, chapter Title IX Fiscal aspects related to local taxes and fees (Law no 227/2015)¹³.
- 33. For the period 2018-2021, the financial resources of the local budgets recorded the developments presented in the following table (in millions lei):

Table 4. Local Income (2018-2021)

No	Income categories	2018	% of total	2019	% of total	2020	% of total	2021	% of total
1	Income from taxes, fees, contributions, payments, other income	11.104	19,4	11.947	18,7	11.828	16,4	14.277	17,9
2	Rates and amounts broken down from income tax	17.531	30,7	21.610	33,8	24.049	33,4	26.977	33,9
	Own income subtotal (1+2)	28.635	50,1	33.557	52,5	35.877	49,8	41.254	51,8
3	Amounts broken down from value added tax	15.371	26,9	18.350	28,7	21.074	29,3	22.555	28,3
4	Grants received from the state budget and other budgets	10.443	18,3	9.310	14,6	9.878	13,7	10.310	13,0
5	Amounts received from the EU/other donors on account of payments made and pre-financing	2.726	4,8	2.697	4,2	5.158	7,2	5.476	6,9
	TOTAL REVENUE (1+2+3+4+5)	57.175	100,0	63.914	100,0	71.987	100,0	79.595	100,0

Source: Court of Account

- 34. Own resources are the revenues that the authorities achieve at the local level. The level and sources of these revenues are controlled, decided by the local authorities, within the prescribed legal limits. The share of revenues that local public administration authorities achieve at the local level in total revenues is 17.9% of total revenues in 2021.
- 35. An important category of local budget resources, included and considered, according to the Law on Local Public Finances, in the category of own revenues of local budgets, is represented by the broken down quotas from the income tax, i.e. the revenues collected in the form of quotas, differentiated, from the income tax collected at the level of each administrative-territorial unit that is allocated to the local budgets of communes, towns and municipalities/cities, as well as to the county's own budget.
- 36. Thus, the local budgets' own resources made up of local taxes and fees and the broken-down quotas from the income tax together represent around 50% of the total revenues of the local budgets.
- 37. A mechanism to support the financing of administrative-territorial units is the system of brokendown amounts, according to which from the State budget revenues, in the case of the value added tax, amounts are allocated with a precise destination of use, approved by the annual law of the State budget.

¹³ See I. Istudor, F. Mocanu, M. Zamfir *The Analysis of the Local Budgets' Contribution in the Formation of the Public Financial Resources*, in "Ovidius" University Annals, Economic Sciences Series Volume XXI, Issue 2 /2021 p. 1031 ss.

Table 5. Structure of total	revenues o	f centralised	local budgets i	[%]

Total Revenues	Own Revenues	Amounts deducted from Value Added Tax	Subsidies	Amounts received from the European Union	Other Revenues
100.00%	48.45%	31.69%	10.44%	8.79%	0.63%
100.00%	44.63%	35.98%	12.29%	6.27%	0.83%
100.00%	43.25%	34.53%	12.83%	8.70%	0.69%
100.00%	46.63%	34.48%	15.15%	3.01%	0.73%
100.00%	48.70%	37.51%	9.36%	3.20%	1.23%
100.00%	49.96%	26.88%	17.31%	3.54%	2.30%
100.00%	52.31%	28.71%	13.57%	4.05%	1.36%
100.00%	49.76%	29.27%	12.43%	7.14%	1.39%
	100.00% 100.00% 100.00% 100.00% 100.00% 100.00%	Revenues Revenues 100.00% 48.45% 100.00% 44.63% 100.00% 43.25% 100.00% 46.63% 100.00% 48.70% 100.00% 49.96% 100.00% 52.31%	Total Revenues Own Revenues deducted from Value Added Tax 100.00% 48.45% 31.69% 100.00% 44.63% 35.98% 100.00% 43.25% 34.53% 100.00% 46.63% 34.48% 100.00% 48.70% 37.51% 100.00% 49.96% 26.88% 100.00% 52.31% 28.71%	Total Revenues Own Revenues deducted from Value Added Tax Subsidies 100.00% 48.45% 31.69% 10.44% 100.00% 44.63% 35.98% 12.29% 100.00% 43.25% 34.53% 12.83% 100.00% 46.63% 34.48% 15.15% 100.00% 48.70% 37.51% 9.36% 100.00% 49.96% 26.88% 17.31% 100.00% 52.31% 28.71% 13.57%	Total Revenues Own Revenues deducted from Value Added Tax Subsidies Amounts received from the European Union 100.00% 48.45% 31.69% 10.44% 8.79% 100.00% 44.63% 35.98% 12.29% 6.27% 100.00% 43.25% 34.48% 15.15% 3.01% 100.00% 48.70% 37.51% 9.36% 3.20% 100.00% 49.96% 26.88% 17.31% 3.54% 100.00% 52.31% 28.71% 13.57% 4.05%

Source I. Istudor, F. Mocanu, M. Zamfir, The Analysis of the Local Budgets' Contribution in the Formation of the Public Financial Resources, p. 1035

Other Revenues received from the European Union Subsidies Amounts deducted from Value Added Tax Own Revenues Own Revenues · Amounts deducted from Value Added Tax = Subsidies Amounts received from the European Union • Other Revenues

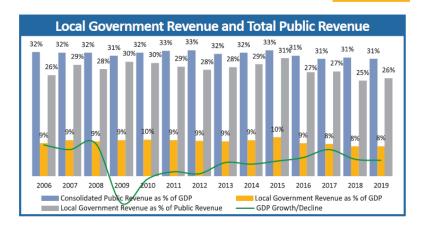
Table 6. Structure of total revenues of centralised local budgets

Source I. Istudor, F. Mocanu, M. Zamfir The Analysis of the Local Budgets' Contribution in the Formation of the Public Financial Resources, p. 1035

- 38. In this context, the resources coming from the central level have as their main objective the correction of some imbalances that occur at the local level, both vertically and horizontally. Vertically because the level of local taxes and fees do not cover the expenses necessary for the provision of public services, but also horizontally, because all local communities don't have the same financial capacities, although they have the obligation to offer equivalent services from a qualitative and quantitative point of view.
- 39. According to the legislation in force, the category of revenues from the central level also includes grants from the State budget allocated from the central level to local communities with a very welldefined purpose.

Another source for local authorities is the sums received as reimbursement from the EU within the projects financed by structural instruments, but their contribution is not yet consistent enough.

Table 7. Local Government Revenue and Total Public Revenue



Source: NALAS Statistical Brief - Local Government Finance Indicators in South-East Europe-second edition, 2020, p.43

Supervision

- 40. Administrative acts issued and adopted by the local government authorities are checked and may be challenged before the court by the prefect. According to Article 123 of the Constitution "(1) The Government appoints a prefect in each county and in the municipality of Bucharest. (2) The prefect is the representative of the Government at the local level and manages the decentralised public services of the ministries and other central public administration bodies in the administrative-territorial units. (3) The duties of the prefect are established by organic law. (4) Between prefects, on the one hand, local councils and mayors, as well as county councils and their presidents, on the other hand, there are no subordination relationships. (5) The prefect can challenge, before the administrative litigation court, an act of the county council, of the local council or of the mayor, if he considers the act illegal. The challenged act is suspended *de jure*".
- 41. At the same time, part of the duties of the specialised structures of the prefect's institutions regarding the verification of legality of administrative acts adopted or issued by local government authorities are:
 - a) keep the record of the administrative acts adopted or issued by the local government authorities and sent to the prefect to check their legality;
 - b) ensure the preservation of administrative acts adopted or issued by the local government authorities, until the expiry of the time limits for bringing an action laid down in the Law on Administrative Litigation no 554/2004, as further amended and supplemented and records of actions and case files registered by courts;
 - examine in terms of legality, within the deadlines stipulated by the law, the administrative acts adopted or issued by the local government authorities and inform them of the verification outcome;
 - d) check the legality of the contracts concluded by the local government authorities as a result of the notification of the prefect by the persons whose legitimate right or interest they consider to be infringed;
 - e) propose the prefect to notify the issuing authorities to reanalyse the act considered to be illegal or the administrative court, with the proper reasoning;
 - f) drawn up the documentation, bring an action before the courts and support the action and the remedies where applicable;
 - g) draw up reports on a quarterly basis and, upon the request of the prefect, present information about the checked documents.
- 42. In relation to the local government, the Ministry of Development, Public Works and Administration (MDPWA) has the main mission to guide and support the local government authorities and the mayor's office in the correct and uniform implementation of legal provisions drafted by the ministry's regulatory fields and in the fulfilment of its duties.

- 43. The Local Public Finance Law (Law no. 273/2006) also provides for ways to exercise forms of control at the level of local public administration: own preventive financial control, internal public audit and subsequent control.
- 44. The Local Public Finance Law also states that the formation and use of local public funds and the local budget execution account are subject to the control of the Court of Accounts, according to the law.
- 45. Through the verifications at public entities of local interest, the Court of Accounts sought to provide an assessment of how the local public administration authorities:
 - ensured the full capitalization of potential of budget revenues, as well as the fair administration in accordance with the legal framework in force;
 - justified the fair engagement and management of budget expenditures;
 - respected the legality and regularity regarding the financial-accounting management and compliance of the budget reports.
- 46. To remedy the deficiencies and deviations recorded in the audit reports, the structures of the Court of Accounts issue decisions, through which measures are issued that target: removing some irregularities in the financial-accounting activity of the audited entities; removing some irregularities in the fiscal activity of the audited entities generating additional revenues to the local budgets; establishing the extent and disposing of measures for the recovery of damages caused to administrative-territorial units.
- 47. All findings, conclusions, as well as the measures issued by the Court of Accounts through decision are brought to the attention of the deliberative authorities of the local public administration.
- 48. The manner in that the managements of the administrative-territorial units accomplishes the measures required through decisions, is monitored by the audit chambers and is verified periodically in the framework of separately scheduled follow-up actions. As a result of the follow-up actions, in case of non-implementation of the formulated measures/recommendations: a new deadline can be established; the higher hierarchical body is notified of the consequences of not implementing the measures; the procedure for notifying the criminal investigation bodies is applied in the event that measures have not been taken to recover the damages estimated by the Court of Accounts.

Development Regions

- 49. The Law on Regional Development in Romania (Nº 315/2004) establishes the institutional framework for regional development policy in Romania, its objectives, the competences of the Development Regions and the specific instruments of regional development policy. There are eight Development Regions on the Romanian territory. The Development Regions are not administrative-territorial units and have no legal status or personality.¹⁴
- 50. According to Law № 315/2004 on Regional Development, the main objectives of regional development policy in Romania are as follows:
 - Reducing the existing regional imbalances by encouraging balanced development, accelerating
 the economic and social recovery of the less developed regions according to the historical,
 geographical, economic, social and political imbalances and preventing the emergence of new
 imbalances;
 - Correlation of sectoral policies and activities at regional level by encouraging government initiatives and by exploring local and regional resources in order to develop economic and social development and foster cultural development;
 - Promoting interregional national and international cooperation, cross-border cooperation also in the context of the Euro-regions;
 - Encouraging the participation of the development regions in the European structures and organisations promoting their socio-economic and institutional development in order to carry out projects of mutual interest in accordance with the international agreements signed by Romania¹⁵.

¹⁴ D. Dragoman, B. Gheorghiţă, Regional Design, Local Autonomy, and Ethnic Struggle: Romania's Syncopated Regionalisation, in Europe-Asia Studies, 2016, 68:2, pp. 270-290.

¹⁵ https://portal.cor.europa.eu/divisionpowers/Pages/Romania.aspx

- 51. In 2013, the Ministry of Development, Public Works and Administration (MDPWA) took the initiative to draft the legal framework to form the administrative territorial region. This project could not continue because it was necessary to review the Romanian Constitution. No political consensus has been created until now for this step, but this project is of interest for the government. However, over the past few years, the current development regions achieved new competences precisely to stimulate the economic and social development and reduce the disparities between the regions. The National Union of County Councils of Romania found relevant to specify during the consultation procedure that the Regional Development Agencies are the executive bodies of the Regional Development Councils of the Development Region. Regional Development Agencies develop strategies, attract resources, identify and implement financing programmes and offer services for stimulating sustainable economic development, partnerships and entrepreneurial spirit. The Regional Development Councils composed of the County Council presidents are the deliberative bodies that coordinate the entire regional development process in a certain Development Region.
- 52. The regions of Romania which are border regions strongly want their country's accession to the Schengen Area. Romania has undertaken great endeavour over the past years to meet all the obligations related to such membership. This would promote the development of these regions.
- 53. During the consultation procedure, the Ministry of Development, Public works and Administration highlighted that since 2021-2027 Programming Period, the Regional Operational Programme was decentralised and now there are 8 ROP for each Region in Romania (managed by the Regional Development Agency of each region).

2.2 Status of the capital city

- 54. The legal basis of the status of Bucharest as the national capital is to be found in Article 14 of the Romanian Constitution, which states that "(t)he capital of Romania is the municipality of Bucharest". Certain aspects of the organisation and operation of the municipality of Bucharest are also mentioned in domestic legislation, including the Administrative Code of 2019 (see Article 97: "The capital of Romania is Bucharest"; Article 100: "The Municipality of Bucharest is organised in 6 administrative-territorial subdivisions, called districts".
- 55. There is currently no specific law on the capital of Romania along the lines proposed by Congress Recommendation 452 (2021) on the status of capital cities referring to the necessity to provide substantial procedural safeguards to guarantee capital cities' autonomy and minimise the risk of interference from other levels of government. In this respect, provisions of the Recommendation 300 (2011) on local and regional democracy in Romania recommended to establish a special status.
- 56. According to information published by the National Statistical Institute, the capital had 2,161,842 inhabitants (9% of the country's population) on January 2022.¹⁶
- 57. Bucharest has several characteristics that distinguish it from the country's other localities and counties (higher GDP, high socio-professional standard, its business potential, its institutional and cultural facilities of international standard, etc). It contributes to 26.6% of GDP at the national level (in 2018).¹⁷
- 58. The deliberative body of the municipality of Bucharest is the General Council. Each district of the municipality also has its own deliberative body, which is the local district council. The General Council and the local district council are elected for four years by universal, equal, direct, secret and freely expressed suffrage.
- 59. The executive authority of the municipality of Bucharest is the General Mayor (*primar general*), who is assisted by deputies. Each district of the municipality of Bucharest also has its own executive authority, namely the District Mayor, who is assisted by deputies (Administrative Code, Arts. 164-169).
- 60. The General Mayor of the municipality of Bucharest and the district mayors are elected for four years by universal, direct suffrage. Their term of office is four years. The deputy mayors are elected by the deliberative body. The local councils and mayors of the six districts are elected by universal direct suffrage.

¹⁶ https://bucuresti.insse.ro/

¹⁷ https://cursdeguvernare.ro/aportul-judetelor-si-regunilor-la-pib-decalaje-severe-intre-cele-2-3-romanii.html

- 61. The administration of financial resources is relatively complex owing to the simultaneous existence and without any co-ordination between them of a budget of the General Mayor's Office and budgets of the six districts. The consequences of this situation emerge clearly from an examination of the districts' level of development, which varies considerably.
- 62. The supervision exercised over the municipality of Bucharest and its districts is the same as that exercised over Romania's other territorial authorities. This supervision mainly consists of a review by the prefect (the government's representative in each county and in the municipality of Bucharest) of the legality of decisions taken by local administrative bodies. The prefect can ask the administrative tribunal to rule on the legality of, and set aside, any decision he/she considers illegal.
- 63. Financial supervision is carried out by the decentralised bodies of the Court of Auditors.
- 64. The General Mayor of the municipality of Bucharest, an executive authority, has a very important status in terms of popularity.
- 65. As it was already pointed out by the 2010 report, in Romania, it is well-known that relations with the general mayor's office in the capital and the district mayor's offices are tense and that there are continuous conflicts between the district mayors.
- 66. At the moment, the specific and distinctive character of the capital Bucharest is to be found in numerous legislative instruments but the references are fragmentary and contradictory: in the Constitution as well as in the Administrative Code, the law on the territorial administration of Romania, the law on local public finances, the law on local elections, etc.
- 67. The delegation observed that the preliminary draft special law on the status of the municipality of Bucharest, which has been the subject of political debate for many years, has not yet been completed. Bucharest has always needed a specific law and an appropriate administrative and legal framework to express and look after its inhabitants' interests and aspirations, therefore the rapporteurs have to repeat the request already contained in Recommendation 300 (2011).

2.3 Legal status of the European Charter of Local Self-Government

- 68. As far as the incorporation of the Charter into Romanian law is concerned, it needs to be pointed out that the relations between the Romanian legal system and classical public international law are governed by the duality principle, according to which international legal instruments must be received in the domestic legal system. This explanation is based on the provisions of Articles 11 and 20 of the Romanian Constitution and on certain provisions of Law No 590/2003 on the conclusion and ratification of treaties.
- 69. Article 11 of the Constitution provides that international treaties ratified by parliament form part of domestic law. The Constitution does not confer direct applicability on public international law. According to Article 20 of the Constitution, only international treaties on human and fundamental rights take precedence over domestic legislation.
- 70. Romania has ratified the Charter of Local Self-Government by means of an organic law in accordance with Article 73 of the Constitution. This law contains two articles, the first of which announces the ratification and sets out the reservation made and the second contains the interpretative declaration. This law includes the Romanian translation of the Charter, which thus assumes the force of law in Romania. The incorporation of the European Charter of Local Self-Government into Romanian law is thus formal, automatic and explicit. As it has legal force because it is enshrined in an institutional law, the Charter entails obligations in Romanian domestic law.¹⁹ As a consequence, the Charter is applied in courts, as a standard to assess the legality of administrative acts.²⁰

¹⁸ E.S. Tanasescu, Local government in Romania, cit., p. 536.

¹⁹ M. C. Apostolache, *Influenţa Cartei Europene a Autonomiei Locale asupra legislaţiei privind administraţia publică locală în România*, lucrare prezentată la The International Conference "Uniformity Law; Legal effects and social, political and administrative implications", Iaşi, Octombrie 23-25, 2014 şi publicată în volumul Conferinţei, Bucureşti, Editura Hamangiu, pp. 446-452.
20 See, among others, Sentinţa comercială nr. 4552/2011 - CONT. ADM.: Acţiune în contencios administrativ formulată de prefectul judeţului X în anularea hotărârii consiliului judeţean X privind referendumul referitor la desfiinţarea judeţului X - Tribunalul Buzău: <a href="https://lege5.ro/Gratuit/gi4tknzshe/sentinta-comerciala-nr-4552-2011-cont-adm-actiune-in-contencios-administrativ-formulata-de-prefectul-judetului-x-in-anularea-hotararii-consiliului-judetean-x-privind-referendumul-referitor-ladesfiint?pid=59913674&expression=#p-59913674

71. The obligations imposed by the Charter are mainly reflected in Romania by its role as a source of inspiration for relevant domestic legislation. Laws on local public administration have undergone a general revision to make them more compatible with the principles of the Charter. Presently, many national provisions simply copy the articles of the Charter. The role of the Charter is especially emphasised by Article 75 of the Administrative Code, according to which the local public administration is organised and operates, among other, also based on the general principles stipulated by the European Charter of Self-Government.

2.4 Previous Congress reports and recommendations

72. The previous monitoring visit to Romania was carried out in 2010 and the Recommendation 300 (2011) was approved on 22 March 2011. Recommendation 300 (2011) asked the Romanian authorities to continue the reforms begun on regional development in order to involve the regions in territorial administration; to allocate to the local authorities financial resources commensurate with their responsibilities, as stated in Article 9(2) of the Charter; to continue to improve the consultation mechanisms in accordance with Article 4(6) of the Charter; to establish a special status to Bucharest, in accordance with Congress Recommendation 219 (2007) and to provide a precise legal framework for the districts of the municipality of Bucharest; to continue to implement measures aimed at the full integration of national minorities into the local communities; to provide the local authorities with effective judicial protection by granting them a genuine right to bring an action in the domestic courts; to consider lifting its reservation to Article 7(2) since the regulations concerning this matter seem *de facto* to be in compliance with this provision of the Charter; to sign and ratify the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207).

3. HONOURING OF OBLIGATIONS AND COMMITMENTS: ANALYSIS OF THE SITUATION OF LOCAL DEMOCRACY ON THE BASIS OF THE CHARTER (ARTICLE BY ARTICLE)

3.1 Article 2 – Constitutional and legal foundation for local self-government

Article 2

The principle of local self-government shall be recognised in domestic legislation, and where practicable in the constitution.

- 73. Article 2 requires the principle of local self-government to be recognised at domestic level in an 'open' and 'express' manner, i.e. in written law. The practical and operational consequences of this recognition can be fully understood in the light of Article 11, according to which "the principles of local self-government as are enshrined in the constitution or domestic legislation" shall be protected by judicial remedies that local authorities can activate. Therefore, the written principles represent the standards for court's ruling on the recourses submitted by local authorities against acts infringing their local autonomy.²¹
- 74. The principle of local self-government is guaranteed under the Romania Constitution. According to Article 120, paragraph 1, "Public administration in administrative-territorial units is based on the principles of decentralization, local autonomy and deconcentration of public services". Article 121, paragraph 2, establishes that "The local Councils and Mayors shall act as autonomous administrative authorities and manage public affairs in communes and towns, in accordance with the law". In several occasions, the Constitutional Court used those constitutional provisions as standards in constitutional adjudication.²²
- 75. In addition, according to Article 73.3 of the Constitution, an organic law is necessary to regulate "the organisation of local public administration, of the territory, as well as the general regime regarding local autonomy".

²¹ Congress of Local and Regional Authorities, A contemporary commentary by the Congress on the Explanatory Report to the European Charter of Local Self-Government, CG-FORUM (2020)02-05prov, 12 February 2020, https://rm.coe.int/contemporary-commentary-by-the-congress-on-the-explanatory-report-to-t/1680a06149 CG-FORUM(2020)02-05final, para19.

²² M. C. Apostolache, Aspecte jurisprudenţiale relevante din practica Curţii Constituţionale a României în materia administraţiei publice locale, in *Acta Universitatis George Bacovia. Juridica* - Volume 4. Issue 2/2015 - http://juridica.ugb.ro/

- 76. The legislation establishes in a very clear way the principle of local self-government. According to the Article 75 of the Administrative Code: "(1) The local public administration in the administrative-territorial units is organised and operates based on the general principles of public administration provided for in Part I, Title III and the general principles provided for in Law no 199/1997 for the ratification of the European Charter of Local Self-Government, adopted in Strasbourg on October 15, 1985, as well as the following specific principles: a) the principle of decentralisation; b) the principle of local autonomy; c) the principle of citizens' consultation in solving problems of special local interest; d) the principle of eligibility of local public administration authorities; e) the principle of cooperation; f) the principle of responsibility; g) the principle of budget constraint".
- 77. For these reasons, the rapporteurs conclude that the requirements of Article 2 of the Charter are complied with in Romania.

3.2 Article 3 - Concept of local self-government

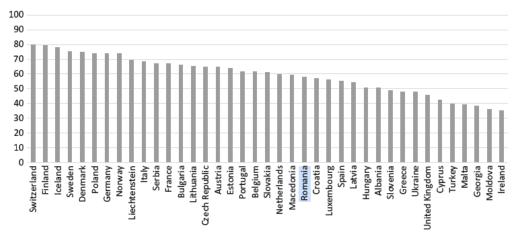
Article 3

- Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population.
- 2. This right shall be exercised by councils or assemblies composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage, and which may possess executive organs responsible to them. This provision shall in no way affect recourse to assemblies of citizens, referendums or any other form of direct citizen participation where it is permitted by statute.

3.2.1 Article 3.1

- 78. The main question that must be addressed under this heading is whether, in the present situation, Romanian local authorities regulate and manage a "substantial share of public affairs under their own responsibility and in the interests of the local population". This provision requires an assessment which takes into account the rather "subjective" and relative nature of such concepts as "ability", "a substantial share of public affairs", "under their own responsibility" and "in the interests of the local population" since no official or universal method of measuring such substantial character has yet been developed. The question must be addressed considering the historical evolution, the culture and the constitutional traditions of the country under analysis. It is also closely linked to the assessment of the compliance with other parts of the Charter, such as Articles 4, 8 and 9.
- 79. In order to assess compliance with this provision, both legislative and factual aspects should be taken into consideration.
- 80. As for legislative provisions, Article 5 j) of Administrative Code defines the local autonomy as "the right and the effective capacity of the local public administration authorities to solve and manage, on behalf and in the interest of the local communities at which they are elected, public affairs, under the conditions of the law".
- 81. At factual level, could be mentioned the Local autonomy Index (LAI) County ranking 2014, considering Romania in an intermediate position among European countries.

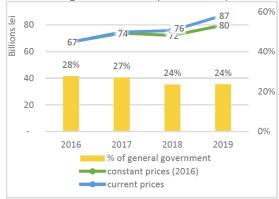
Table 8. Local autonomy Index (LAI) County ranking 2014



Source: Ladner/Keuffer/Baldersheim/Hlepas/Swianiewicz/Navarro, *Patterns of Local Autonomy in Europe*, 2019, New York, Palgrave MacMillan

82. In 2019, local expenditure representing the 8,3% of the GDP (2019) and 23,6% of the public expenditures (EU 28 average being 23.3%);²³ local government revenues represent 25.5% of the public revenues, 7,8% of the GDP.

Table 9. Local government expenditures (2016-2019)



Source: NALAS, Fiscal Decentralization Report, 8th Edition, p. 159

- 83. Although the transfer of competences was not always sufficiently well-coordinated at the level of the ministries and the central administration has not always been able to accompany the package of decentralised services with the appropriate financial resources, thus resulting, in many cases, the local administration not having the necessary capacity to manage these new responsibilities, the decentralization has been a pillar of the democratic transition and democratic consolidation in Romania.
- 84. Therefore, rapporteurs conclude that Romania complies with Article 3, paragraph 1 of the Charter.

3.2.2 Article 3.2

- 85. Article 3.2 is the main statement of the democratic principle in the provisions of the Charter. The right of self-government must be exercised by democratically constituted authorities. The concept of local autonomy does not involve the mere transfer of powers and responsibilities from central to local authorities but also requires local government to express, directly or indirectly, the will of the local population.
- 86. In Romania, local authorities are governed by a council which is elected every 4 years in fair and free elections.²⁴ The mayor and the president of the county council are also directly elected.

²³ NALAS, Statistical Brief - Local Government Finance Indicators in South-East Europe-second edition, 2020: http://www.nalas.eu/Publications/Books/Brief_2nd 24 https://freedomhouse.org/country/romania/freedom-world/2021

- 87. During the consultation procedure, the Ministry of Development, Public Works and Administration informed the delegation that on the 23rd of May 2022, the Romanian Senate has adopted the Law for modifying and completing Law N° 208/2015 which stipulates that the lists of candidates, except the ones that contain 1 or 2 candidates, for the Romanian Senate as well as for the Romanian Chamber of Deputies should respect the minimum quota of representation of 33%, for women as well as for men, as that this Law is going to be voted also by the Chamber of Deputies, decision-making body. However, at the time of the visit, the rapporteurs noted that women are underrepresented at local level in Romania. Despite the fact that women represent 50% of the Romanian population, at local level there are around only 5.33% female mayors and 12,4 are members of local councils,²⁵ a percentage that places the country at the bottom in the EU and Central and Eastern European Countries (CEECs) ranking.²⁶
- 88. The last local elections took place on 27 September 2020, with a turnout of 46,02%.²⁷ The turnout in the parliamentary elections of December 2020 was 13% lower than for the local elections in 2020. Since 2008, turnout in local elections has been consistently higher than in parliamentary elections.
- 89. Therefore, rapporteurs consider that Article 3, paragraph 2 is respected in Romania.

3.3 Article 4 – Scope of local self-government

Article 4

- The basic powers and responsibilities of local authorities shall be prescribed by the constitution or by statute.
 However, this provision shall not prevent the attribution to local authorities of powers and responsibilities for specific purposes in accordance with the law.
- 2. Local authorities shall, within the limits of the law, have full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any other authority.
- Public responsibilities shall generally be exercised, in preference, by those authorities who are closest to the
 citizen. Allocation of responsibility to another authority should weigh up the extent and nature of the task and
 requirements of efficiency and economy.
- 4. Powers given to local authorities shall normally be full and exclusive. They may not be undermined or limited by another, central or regional, authority except as provided for by the law.
- 5. Where powers are delegated to them by a central or regional authority, local authorities shall, insofar as possible, be allowed discretion in adapting their exercise to local conditions.
- Local authorities shall be consulted, insofar as possible, in due time and in an appropriate way in the planning and decision-making processes for all matters which concern them directly.

3.3.1 Article 4.1

- 90. Article 4, paragraph 1, of the Charter requires that the basic powers and responsibilities of local authorities are prescribed by the constitution or by statute, so as to ensure predictability, permanence and protection for the benefit of local self-government. Therefore, the tasks of local authorities should not be assigned on an *ad hoc* basis and should be properly enshrined in written parliamentary legislation. Establishing local powers and competences by means of administrative regulation should be avoided and goes against the spirit of the Charter.²⁸
- 91. In Romania, legislation attribute to the local authorities a vast set of competences. Among them, a vast range of competences related to the social services. Article 129 of the Administrative Code lists, among the competences of the local councils, public services of local interest regarding: a) education; b) social services for the protection of the child, the disabled, the elderly, the family and other persons or groups in social need; c) health; d) culture; e) youth; f) sport; g) public order; h) emergency situations; l) environmental protection and restoration; j) conservation, restoration and enhancement of historical and architectural monuments, parks, public gardens and nature reserves; k) urban development; l) records of persons; m) bridges and public roads; n) community services of public utilities of local interest; o) mountain rescue, lifeguard and first aid emergency services; p) social-community administration activities; g) social housing and other housing units owned by the administrative-territorial

²⁵https://eige.europa.eu/gender-

statistics/dgs/indicator/wmidm_pol_parl__wmid_locpol/bar/year:2022/geo:EU28,EU27_2020,IPA,EEA,BE,BG,CZ,DK,DE,EE,IE,EL,ES,FR,HR,IT,CY,LV,LT,LU,HU,MT,NL,AT,PL,PT,RO,SI,SK,FI,SE,IS,LI,NO,UK,ME,MK,AL,RS,TR,BA,XK/sex:M,W/UNIT:PC/POSITION:MEMB_CNCL/EGROUP:MUNICIP

²⁶ A. Fedor, C. Iatu, Women's Participation in the Local Government as Voters, Candidates and Mayors in the North East Region of Romania, in Open Journal of Political Science, 2022, 12, pp. 108-123.

²⁷ https://locale2020.bec.ro/rezultate/

²⁸ Contemporary Commentary, paragraph 49.

unit or under its management; r) valuing, in the interest of the local community, the natural resources within the administrative-territorial unit; s) other public services of local interest established by law.

- 92. Article 173 of the Administrative Code attributes to the county councils the competence to establish "the necessary framework for the provision of public services of county interest regarding: a) education; b) social services for the protection of the child, the disabled, the elderly, the family and other persons or groups in social need; c) health; d) culture; e) youth; f) sport; g) public order; h) emergency situations; l) environmental protection and restoration; j) conservation, restoration and enhancement of historical and architectural monuments, parks, public gardens and nature reserves; k) records of persons; l) bridges and public roads; m) community services of public utility of county interest; n) tourism; o) rural development; p) economic development; q) other public services established by law".
- 93. Urban planning is another important sector of competence for local authorities, according to the Law no 350/2001.29
- 94. Therefore, it appears to the rapporteurs that Article 4, paragraph 1, is respected in Romania.

3.3.2 Article 4.2

- 95. According to Article 4, paragraph 2, local authorities must have the right to exercise their initiative on matters not explicitly excluded from their competence by law. In addition, they must have "full discretion to exercise their initiative". Restrictions on local bodies' full discretion can also stem from management, fiscal and budgeting rules that require a sound legal basis for spending³⁰.
- 96. In Romania, legislation awards the authorities of local public administration with the right to take initiatives in all areas, within the limits of the law, except for those which are expressly included in the scope of work of other public authorities.
- 97. As for restriction to full discretion, they stem from the lack of financial resources, much more than from interferences from other levels of government (see infra, sub Article 9). In Romania, local authorities are responsible for many social services. The decentralization raises many challenges, especially for the communes in the rural areas. The rural communes lack of human and financial resources to carry out their tasks, also considering the demographic tendencies related to massive emigration and the ageing population.
- 98. Notwithstanding those challenges, rapporteurs consider that Article 4 paragraph 2 of the Charter is respected in Romania.

3.3.3 Article 4.3

- 99. Article 4, paragraph 3 of the Charter articulates the general principle of subsidiarity. It establishes that "Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen. Allocation of responsibility to another authority should weigh up the extent and nature of the task and requirements of efficiency and economy".
- 100. In Romania, the division of competences is regulated by Article 76 of the Administrative Code, mentioning the principle of subsidiarity consisting of "the exercise of competences by the local government authority at the administrative level closest to the citizen and which has the required administrative capacity;", central or local authorities claim and consolidate this approach through legislative means or administrative mechanisms to enhance the capacity of local government authorities to exercise exclusive competences or to collaborate in the exercise of shared or delegated competences.³¹
- 101. To ensure the implementation of the principle of subsidiarity, in 2017 the Romanian Government approved the General Decentralisation Strategy concerning the analysis of the opportunity to decentralise new competences to the local government authorities in agriculture, culture, sports, youth, education, environment, health and tourism.

²⁹ LEGE nr. 350 din 6 iunie 2001 privind amenajarea teritoriului și urbanismul.

³⁰ Contemporary Commentary, para 59.

³¹ V.-l. Stratan, Impact on Subsidiarity Principle on the Romanian Local Autonomy, in Revista de Drept Public, 2013, 4, pp. 114-123.

102. Therefore, rapporteurs consider that Article 4 paragraph 3 of the Charter is respected in Romania.

3.3.4 Article 4.4

- 103. Article 4, paragraph 4, provides that "Powers given to local authorities shall normally be full and exclusive. They may not be undermined or limited by another, central or regional, authority except as provided for by the law". The law may certainly introduce limitations on the powers given to local authorities, but such limitations should be exceptional, based on objective reasons and interpreted narrowly. In addition, overlapping responsibilities can become a threat to local autonomy.³²
- 104. Both during the visit and the written answers to the rapporteurs, no issues have been raised by the interlocutors. In Romania, local authorities are responsible for many social services. The challenges do not stem from the interference of State legislation, but by the expenditure pressure and by the lack of adequate resources.
- 105. Therefore, the rapporteurs consider that Article 4, paragraph 4, is respected in Romania.

3.3.5 Article 4.5

- 106. Article 4, paragraph 5, refers to delegated responsibilities, establishing that local authorities shall, insofar as possible, be allowed discretion in adapting their exercise to local conditions. The delegation of powers between different levels of government is a long-standing tradition in many European States. Central government benefits from the territorial network formed by local and regional authorities: they are closer to citizens and offer local knowledge, they reflect local conditions and provide economies of scale. Local bodies and services therefore discharge delegated functions on behalf of higher-level authorities, most commonly on behalf of the State³³.
- 107. Both during the visit and the written answers to the rapporteurs, no issues have been raised by the interlocutors on the delegation of competences, which appears to satisfy the requirements of this article in practice.
- 108. Therefore, the rapporteurs consider Article 4, paragraph 5, respected in Romania.

3.3.6 Article 4.6

- 109. Article 4 paragraph 6 of the Charter provides that "local authorities shall be consulted, insofar as possible, in due time and in an appropriate way in the planning and decision-making processes for all matters which concern them directly".
- 110. Consultation is a key principle of the Charter. The Charter does not define or prescribe the forms of consultation or substantially regulate the consultation process. Since its basic function is to establish the general approach and framework for consultations, it may be concluded that the main process of consultation is dependent on three basic conditions: (a) local authorities should be able to obtain full information on decisions and policies that concern them directly, and this information should be available at the initial stage of the decision-making process; (b) local authorities should have the possibility of expressing their opinion on decisions and policies before these become legally binding documents; and (c) local authorities should have the time and ability to prepare recommendations or alternative drafts and submit them for consideration³⁴.
- 111. Recommendation 300 (2011) pointed out the necessity to improve the consultation mechanisms.
- 112. Since then, this aspect has been addressed by several reforms and during the monitoring visit the delegation was informed that, generally, the consultation works quite well, although sometimes the short delays do not allow the local authorities to duly examine the acts submitted for consultation.
- 113. The Administrative Code contains several provisions on consultation. Article 78 establishes the procedure for decentralising State competences. In all stages of the transfer process, it is mandatory to consult the associative structures of the local public administration authorities. Article 82 establishes that the representatives of the associative structures of the local public administration authorities are

³² Contemporary Commentary, para 66-67.

³³ Contemporary Commentary, para 71.

³⁴ Contemporary Commentary, para 80.

also members of the Committee for Local Public Finances, which has an advisory role in the drafting and implementation of financial and fiscal decentralization policies. Article 86 provides that "The authorities of the central public administration initiating a draft normative act have the obligation to consult the associations of local authorities, at least 15 working days before the submission for adoption/approval of any draft normative act that directly concerns the local public administration and/or that has an impact on local communities. In the case of projects of urgent normative acts, the term can be reduced to 10 working days". According to paragraph 3 of the same article, "The points of view of the associative structures of the local public administration authorities regarding the draft normative acts on which they were consulted are motivated in accordance with the legal provisions and can be transmitted, through the care of their presidents, within 10 working days from upon receipt, at the authority of the central public administration initiating the draft normative act, respectively within 7 working days, in the case of draft normative acts of an urgent nature".

- 114. Those provisions have been specified and detailed by the Government Decision no 635/2022 on the procedure for consulting the associations of local government authorities in preparing the draft legal acts. 35
- 115. The delegation was informed by the Ministry of Development, Public Works and Administration (MDPWA) that, to ensure a coherent framework for analysing the implementation of the consultation procedure, consultative meetings are organised every six months at the level of the Ministry between its management and that of the associations. In 2021, the Ministry sent 230 draft legal acts to the associations of local authorities as follows:
 - 155 draft laws;
 - 30 draft Government decisions;
 - 30 draft Government Ordinances;
 - 4 draft Emergency Government Ordinances;
 - 9 draft orders of ministers.
- 116. The associations of local government authorities have sent opinions on the draft legal acts mentioned above, as follows:
 - 5 opinions from the Romanian Association of Communes;
 - 36 opinions from the Romanian Association of Municipalities;
 - 3 opinions from the Romanian Association of Towns;
 - 183 opinions from the National Union of County Councils of Romania.

117. In 2022, new regulation was passed by the government also on the interministerial technical committee for decentralization³⁶. It is a structure with a consultative and permanent character, with the participation of the president of the Romanian Association of Communes; the president of the Romanian Towns Association; the president of the Romanian Association of Municipalities; the president of the National Union of County Councils in Romania. It approves the draft of the general decentralization strategy developed by the coordinating ministry of the decentralization process; proposes solutions regarding the sectoral decentralization process or regarding the need to improve the way decentralised powers are exercised, as the case may be; endorses the projects of sectoral decentralization strategies and the projects of sectoral strategies for improving the way of exercising decentralised powers, proposed by ministries or other specialised bodies of the central public administration; approves the quality and cost standards proposed by the ministries or other specialised bodies of the central public administration, which are subsequently approved by a Government decision; approves the monitoring and evaluation reports regarding the implementation stage of the sectoral decentralization strategies and the sectoral strategies for improving the way of exercising decentralised powers.

118. Therefore, the rapporteurs consider Article 4, paragraph 6, is complied with in Romania.

³⁵ HOTĂRÂRE nr. 635 din 11 mai 2022privind procedura de consultare a structurilor asociative ale autorităților administrației publice locale la elaborarea projectelor de acte normative.

³⁶ HOTĂRÂRE nr. 800 din 23 iunie 2022pentru organizarea, funcționarea și atribuțiile Comitetului tehnic interministerial pentru descentralizare și a grupurilor de lucru pentru descentralizarea competențelor.

3.4 Article 5 – Protection of local authority boundaries

Article 5

Changes in local authority boundaries shall not be made without prior consultation of the local communities concerned, possibly by means of a referendum where this is permitted by statute.

- 119. This article requires that local communities should be consulted in case of changes of local authorities' boundaries.
- 120. In Romania, protection of boundaries is guaranteed both by legislation and in practice. According to Article 95 of the Administrative Code, "(1) The territory of Romania is organised, from an administrative point of view, in administrative-territorial units which are communes, towns and counties. (2) Town and communes are basic administrative-territorial units. (3) Some towns are declared municipalities/cities under the law. (4) Any modification of the territorial limits of the administrative-territorial units regarding their establishment, re-establishment or reorganisation can only be carried out by law and after the mandatory consultation of the citizens of the respective administrative-territorial units through a local referendum, in accordance with the law".
- 121. The rapporteurs take note that since 2001, the local government is rather fragmented, but no attempts to encourage amalgamation of administrative entities have been taken. Only recently an initiative to consult the population was presented. In Buzău municipality/city a referendum was organised to consult citizens on the modification of the boundaries of the administrative-territorial unit of the city Buzau and the commune of Tintesti, in the sense of the union of the two administrative entities. If the citizens of the two localities had voted in favour of unification and had reached a quorum in each of them, there would have been a first in the last 30 years: the voluntary merger of two administrative territorial units. However, the guorum was not reached: in order to be valid, at least 30% of the number of people registered in the electoral lists should have participated in the referendum, and at least 50% plus one to agree with the merging of the two localities³⁷. A major part of the voters is living abroad and don't go frequently or at all to the polling stations. It makes difficult to reach the quorum and jeopardises the propre functioning of voluntary merger. During the consultation procedure, the Ministry of Development, Public Works and Administration highlighted Art. 4 para. (2) of the Law no. 351/2001 on the approval of the National Spatial Plan - Section IV Network of Municipalities, as amended in 2010 states: (2) In order to allow access to the Structural Funds granted by the European Union to the communes with a marked decrease in population, included in the tables in points 5.0 and 5.1 of Annex IV and located in the areas marked on the map in Annex V, the Government shall encourage the administrative unification of two or more of these communes which are adjacent, at the initiative of the local public administration authorities and following the will expressed by local referendum by the population of the communes concerned.
- 122. The rapporteurs consider that the requirements of Article 5 are satisfied in Romania.

3.5 Article 6 – Appropriate administrative structures and resources

Article 6

- 1. Without prejudice to more general statutory provisions, local authorities shall be able to determine their own internal administrative structures in order to adapt them to local needs and ensure effective management.
- 2. The conditions of service of local government employees shall be such as to permit the recruitment of high-quality staff on the basis of merit and competence; to this end adequate training opportunities, remuneration and career prospects shall be provided.

3.5.1 Article 6.1

- 123. Article 6, paragraph 1 of the Charter provides that local authorities shall be able to determine their own internal administrative structure: the power to organise their own affairs is accordingly a part of the autonomy enjoyed by local entities.
- 124. In Romania, the law recognises the normative power of local authorities regarding their internal organisation. Local councils, according to Article 129.2, lett. a), of the Administrative Code, exercise attributions regarding the administrative-territorial unit, its own organisation, as well as the organisation and operation of the specialised apparatus of the mayor, of public institutions of local interest and of

³⁷ See https://www.g4media.ro/referendum-local-la-buzau-pentru-unificarea-cu-comuna-tintesti-ar-fi-o-premiera-in-istoria-recenta-a-romaniei.html; https://freedomhouse.org/country/romania/nations-transit/2022

autonomous companies and regies of local interest. They approve (Article 129.3, lett. a) "the statute of the commune, city or municipality, as well as the regulation of organisation and operation of the local council; by order of the competent minister, an indicative model of the status of the administrative-territorial unit is approved, as well as an indicative model of the regulation on the organisation and operation of the local council".

- 125. County councils approves regulation of organisation and operation of the specialised apparatus of the county council, as well as of public institutions of county interest and of autonomous societies and boards of county interest (Article 173.2, lett. c) of the Administrative Code).
- 126. Therefore, rapporteurs consider that the requirements of Article 6, paragraph 1 are satisfied in Romania.

3.5.2 Article 6.2

- 127. Article 6, paragraph 2, of the Charter refers to the conditions of service of local government employees: they shall be such as to permit the recruitment of high-quality staff on the basis of merit and competence. The power to hire their own staff and set employee remuneration is a relevant factor highlighting the organisational and institutional autonomy of local governments.³⁸
- 128. Local governments in Romania employ two types of personnel: civil servants and staff falling under special statutes and contractual personnel. The central government sets the base wage of all subnational government employees (both civil servants and contractual personnel). Until 2011 a system of bonuses and allowances, which could be granted at local discretion, existed. The first cases of such bonuses and allowances were introduced in 1993, their number has gradually increased over the years, and by 2004 they produced significant effects in terms of differences in salaries and overall increases in personnel spending. Since 2009, as part of a set of measures aimed to reduce personnel spending in local government, absolute ceilings of staffing levels and ceilings on personnel spending were introduced for the first and second tiers of local government units³⁹. Later, Law no 153/2017 regarding the salary of staff paid from public funds, was approved, differentiating salaries according to the category of the administrative territorial units and giving soe autonomy to local authorities, within a range (a maximum and a minimum). Recently, the Administrative Code regulated the status of civil servants.
- 129. The delegation was informed that it is becoming challenging, especially for small, rural communes, to attract skilled human resources. The Association of Municipalities of Romania pointed out, in its written answers to the questions of the rapporteurs, that, given to the fact that the attributions are the same, the establishment of the mayors' and vice-mayors' allowances, as well as the salary of the general secretaries, should be carried out only according to the number of inhabitants and not according to the category of the administrative-territorial unit.
- 130. During the monitoring visit, no special remarks have been made neither concerning numbers nor the quality of local government employees.
- 131. In conclusion, the rapporteurs consider that Article 6, paragraph 2 of the Charter is respected in Romania.

3.6 Article 7 - Conditions under which responsibilities at local level are exercised

Article 7

- 1. The conditions of office of local elected representatives shall provide for free exercise of their functions.
- 2. They shall allow for appropriate financial compensation for expenses incurred in the exercise of the office in question as well as, where appropriate, compensation for loss of earnings or remuneration for work done and corresponding social welfare protection.
- 3. Any functions and activities which are deemed incompatible with the holding of local elective office shall be determined by statute or fundamental legal principles.

³⁸ Contemporary Commentary, para 104.

³⁹ See Ladner/Keuffer/Baldersheim/Hlepas/Swianiewicz/Navarro, Patterns of Local Autonomy in Europe, 2019, New York, Palgrave MacMillan, p. 170

3.6.1 Article 7.1

- 132. Article 7, paragraph 1, seeks to ensure that citizens are free to serve as elected representatives and are not prevented from holding political office owing to financial or material considerations. Nobody should be deterred from standing for election at local level; once elected, local councillors should not be prevented from discharging their duties effectively.⁴⁰
- 133. In Romania, local representatives are elected for four years. A detailed regulation of the lawful termination of city councillors' and county councillors' mandates is established by legislation: e.g. date of event if domicile is changed to another administrative territorial unit; after the court order becomes final in case of safeguarding of interests; as well as the authority finding the termination of the city/county councillor's mandate (prefect or city/county council).
- 134. Early dissolution of the councils is possible by holding a referendum (Administrative Code, Article 143 on local councils and Article 184 on county councils). The referendum is organised as a result of the request addressed to the prefect of at least 25% of the number of citizens with the right to vote registered in the Electoral Register with domicile or residence in the administrative-territorial unit. The local referendum is valid if at least 30% of the total number of residents with the right to vote registered in the Electoral Register with their domicile or residence in the administrative-territorial unit turned out to vote. The mayor's mandate also can end as a consequence of a local recall referendum (Article 162 of the Administrative Code).
- 135. No special concerns have been presented during the monitoring visit.
- 136. The rapporteurs consider that Article 7, paragraph 1 of the Charter is respected in Romania.

3.6.2 Article 7.2

- 137. Article 7, paragraph 2, refers to an appropriate financial compensation for elected representatives. The aim of the paragraph, in connection to paragraph 1, is to ensure that local elected representatives receive "appropriate financial compensation" and to avoid the conditions of office preventing, limiting, or even excluding potential local candidates from standing for office because of financial considerations.
- 138. Romania did not ratify Article 7, paragraph 2. However, as a Congress report pointed out in 2019, "Romania has made significant progress under Law nº. 393/2004, providing several arrangements for paying elective representatives bonuses and financial compensation in the exercise of their function (and even afterwards, in the case of former elected representatives, who reach the age of retirement)" ⁴¹. The same report pointed out that "in Croatia, Ireland, North Macedonia, Montenegro and Romania, mayors' salaries are about six times higher than respective national minimal wages". ⁴²
- 139. The delegation was informed that a monthly allowance for taking part in the council's and relevant committees of city/county councillors has been introduced and that the benefit for old age for the persons who have exercised executive authority mayor, deputy mayor, President of county council and vice-President of county council, have been introduced.
- 140. The rapporteurs consider that there is no impediment for Romania to formally accept Article 7 paragraph 2.

3.6.3 Article 7.3

- 141. Article 7, paragraph 3, deals with compatibility between the holding of a representative position at local level and other activities, either public or private, establishing that the "functions" and "activities" that cannot be made compatible with holding a local position once the candidate has been elected shall be determined by statute or fundamental legal principles.
- 142. In Romania, the incompatibilities are determined by several legal provisions. Law no 161/2003, Article 88.1, lett c) states that (1) The position of local councillor or county councillor is incompatible with

⁴⁰ Contemporary Commentary, para 107.

⁴¹ CG36(2019)10final 3 April 2019 Financial compensation of local and regional elected representatives in the exercise of their office, p. 9.

⁴² CG36(2019)10final 3 April 2019 Financial compensation of local and regional elected representatives in the exercise of their office, p. 29.

exercising the following positions or qualities: c) the quality of public officer or employee with individual employment contract in the own apparatus of the local council respectively or in the own apparatus of the county council or the prefect's from the respective county. In addition, paragraph 3 of Article 91 of the said law obliges elected officials to resign from one of the incompatible functions within a maximum period of 15 days from the day of the election to the office of councillor, mayor, county president. Articles 227-230 of the Administrative Code introduced some additional provisions.

143. The conflict-of-interest regime for local elected representatives is clarified by systematisation of acts by Law no 393/2004 on the status of the local elected representatives: on the one hand, by referring only to the patrimonial nature of the local elected representative's interest, and, on the other hand, by harmonising the second-degree kinship for all local elected representatives.

144. In the framework of anti-corruption programmes, the National Integrity Agency (ANI) carries out administrative investigations regarding conflicts of interests, incompatibilities of activities and unjustified wealth, and is responsible for the monitoring and verification of declarations of assets, including of all elected officials. Strengthening integrity in priority areas, such as health care, public procurement, and local administration is part of the new National Anti-Corruption Strategy for 2021-2025 was approved by the Government in December 2021⁴³.

145. Before the local elections of 20 September 2020, ANI reached out to central and local electoral authorities to inform on candidates who could be under a ban to hold a public office following a sanction for incompatibility or conflict of interests in the previous mandate. Over 500 persons were concerned by an interdiction⁴⁴. After elections, ANI sent to the Courts, who have the competence to validate the mandates of the newly elected officials, a nominal list of candidates under the interdiction to occupy a public office for three years. While a number of candidates were prevented from running for office, and others have been denied office, the courts ruled in about half of the candidates who were under interdiction that they are allowed to hold the elected office. From the total of 103 candidates to the local elections under interdiction: 65 candidates have been elected, according to information available from official sources: 15 elected officials have been denied to hold the elected office, while 49 elected officials have been allowed to hold the elected office.

146. No issues have been raised during the monitoring visit.

147. Therefore, the rapporteurs consider Article 7, paragraph 3 is complied with in Romania.

3.7 Article 8 – Administrative supervision of local authorities' activities

Article 8

- 1. Any administrative supervision of local authorities may only be exercised according to such procedures and in such cases as are provided for by the constitution or by statute.
- Any administrative supervision of the activities of the local authorities shall normally aim only at ensuring compliance with the law and with constitutional principles. Administrative supervision may however be exercised with regard to expediency by higher-level authorities in respect of tasks the execution of which is delegated to local authorities.
- Administrative supervision of local authorities shall be exercised in such a way as to ensure that the intervention of the controlling authority is kept in proportion to the importance of the interests which it is intended to protect.

3.7.1 Article 8.1

148. Article 8 of the Charter deals with supervision of local authorities. Article 8, paragraph 1, establishes that any administrative supervision of the activities of local authorities must be exercised according to such procedures and in such cases as are provided for by the constitution or by statute. The Charter establishes an important principle here in the area of inter-governmental supervision of local authorities: any form of such supervision must be provided for by the constitution or by statute, i.e., the Charter introduces the legality principle into the supervision of a local authority.⁴⁵

⁴³ European Commission, 2021 Rule of Law Report, Country Chapter on the rule of law situation in Romania, p. 14, https://commission.europa.eu/publications/2021-rule-law-report-communication-and-country-chapters en

⁴⁴ National Integrity Agency (ANI), Communicate on prevention and consignation measures adopted by the National Integrity Agency in the context of the organisation of local elections 2020.

⁴⁵ Contemporary Commentary, para 128. See also Recommendation CM/Rec(2019) 3 of the Committee of Ministers to member States on supervision of local authorities' activities (adopted by the Committee of Ministers on 4 April 2019 at the 1343rd meeting of the Ministers' Deputies).

149. In line with the requirements of the Charter, in Romania the rules governing the supervision over local authorities and the powers of the central authorities concerned are determined by the Constitution and by the law. According to Article 123, paragraph 5, of the Constitution, the prefect "can challenge, before the administrative litigation court, an act of the county council, of the local council or of the mayor, if he considers the act illegal. The challenged act is suspended *de jure*". The Administrative Code establishes (Article 255) that: "(1) The prefect verifies the legality of the administrative acts of the county council, the local council and the mayor. (2) The Prefect may challenge the acts of the authorities provided for in paragraph (1) which they consider illegal, before the competent court, under the terms of the administrative litigation law".

150. Therefore, the rapporteurs believe that Article 8, paragraph 1 of the Charter is fully respected in Romania.

3.7.2 Article 8.2

- 151. According to Article 8, paragraph 2, of the Charter, the supervision over local authorities can only aim at ensuring compliance with the law and constitutional principles. Expediency control can be used only in case of delegated tasks.
- 152. In Romania, (see above) the supervision over the acts of local authorities is carried out by the State and it is limited to a control of legality. No issues have been raised during the monitoring visit.
- 153. Therefore, the rapporteurs believe that Article 8, paragraph 2, of the Charter is respected in Romania.

3.7.3 Article 8.3

- 154. Article 8, paragraph 3, deals with the way in which the supervision is exercised in practice, and requires compliance with the principle of proportionality. Under the principle of proportionality, the regional or State body should intervene only to the extent necessary, taking into account the relevance of the public interest at stake, or the seriousness of the legal violation allegedly committed by the local authority.⁴⁶
- 155. As for the practical exercise of the supervision, it is worth mentioning that the Administrative Code was amended by the government in 2021 through an Emergency Ordinance⁴⁷, so that prefects and subprefects can be party members. The growing political affiliation of the prefect has been criticised both by scholars⁴⁸ and international organisations⁴⁹.
- 156. However, no particular matters of concern have been raised during the monitoring visit in this respect.
- 157. Therefore, the rapporteurs consider that Article 8, paragraph 3 of the Charter is respected in Romania.

⁴⁶ Contemporary Commentary, para 139.

⁴⁷ ORDONANȚĂ DE URGENȚĂ nr. 4 din 27 ianuarie 2021pentru modificarea și completarea Ordonanței de urgență a Guvernului nr. 57/2019 privind Codul administrativ.

⁴⁸ C. M.Profiroiu, I. C. Negoiță, Who Is The Prefect? A Comparative Analysis of The Professionalization and Politicization of The Prefect in Romania and Poland, in Transylvanian Review of Administrative Sciences, 2022, n. 65, pp. 106–128.

^{49 &}lt;a href="https://freedomhouse.org/country/romania/nations-transit/2022#footnote21_sgc3que">https://freedomhouse.org/country/romania/nations-transit/2022#footnote21_sgc3que; A. Mungiu-Pippidi: De ce prefecții NU trebuie numiți politic" [Alina Mungiu-Pippidi: Why prefects should NOT be politically appointed], Adevarul, 29 January 2021 https://adevarul.ro/blogurile-adevarul/alina-mungiu-pippidi-de-ce-prefectii-nu-trebuie-2073556.html;

 $[\]underline{\text{https://www.g4media.ro/guvernul-a-aprobat-ordonanta-de-urgenta-care-le-permite-prefectilor-si-subprefectilor-sa-fie-membri-de-partid.html}$

3.8 Article 9 – Financial resources

Article 9

- 1. Local authorities shall be entitled, within national economic policy, to adequate financial resources of their own, of which they may dispose freely within the framework of their powers.
- 2. Local authorities' financial resources shall be commensurate with the responsibilities provided for by the constitution and the law.
- 3. Part at least of the financial resources of local authorities shall derive from local taxes and charges of which, within the limits of statute, they have the power to determine the rate.
- 4. The financial systems on which resources available to local authorities are based shall be of a sufficiently diversified and buoyant nature to enable them to keep pace as far as practically possible with the real evolution of the cost of carrying out their tasks.
- 5. The protection of financially weaker local authorities calls for the institution of financial equalisation procedures or equivalent measures which are designed to correct the effects of the unequal distribution of potential sources of finance and of the financial burden they must support. Such procedures or measures shall not diminish the discretion local authorities may exercise within their own sphere of responsibility.
- 6. Local authorities shall be consulted, in an appropriate manner, on the way in which redistributed resources are to be allocated to them.
- 7. As far as possible, grants to local authorities shall not be earmarked for the financing of specific projects. The provision of grants shall not remove the basic freedom of local authorities to exercise policy discretion within their own jurisdiction.
- 8. For the purpose of borrowing for capital investment, local authorities shall have access to the national capital market within the limits of the law.

3.8.1 Article 9.1

158. Article 9, paragraph 1, of the Charter establishes two basic principles in the area of finance. First, local authorities should have their *own* financial resources; the right to "adequate" resources is not absolute but has to be exercised "within national economic policy". Second, they should be free to decide how to spend those resources. ⁵⁰ This freedom takes the form of various spending decisions, the most important being the adoption of an annual budget. Any limits and restrictions imposed by higher authorities on local authorities should be specified and justified and aim at ensuring macroeconomic stability.

159. This paragraph is only partially respected in Romania. The financial resources are not always adequate, and in many cases the criteria to distribute them between local authorities are not transparent and it can be subject to political interference. Although local authorities have their own resources, the part coming from the local taxes is limited and they depend mostly from State or European founds.

160. Therefore, rapporteurs consider that Article 9, paragraph 1 is only partially respected in Romania.

3.8.2 Article 9.2

161. Another basic principle, established in Article 9, paragraph 2, requires that local authorities should have sufficient financial resources in proportion to the responsibilities assigned to them by law. This paragraph enshrines the so-called "principle of commensurability" of local authorities' financial resources. This means that the resources available to local authorities should be sufficient and commensurate with their functions and tasks. To this purpose, any transfer of powers and tasks should be based on careful calculation of the actual service delivery costs to be met by local authorities. The costs of mandatory and delegated tasks might include several factors (such as the socioeconomic structure of residents) in order to produce more precise calculations and avoid arbitrary political decisions.⁵¹

162. During the meetings, it was pointed out that several competences were transferred from the central authority to the local authorities. The Administrative Code (GEO 57/2019) clearly stipulates that one of the principles of the decentralisation process deals with the assurance of the resources corresponding to the transferred competencies [art. 76 letter b)]. Furthermore, the Code also regulates that the government, ministries and other specialised bodies of the central public administration ensure, in collaboration with the associative structures of local public administration authorities, the long-term correlation between transferred responsibilities and related resources, so as to cover cost variations in the provision of decentralised public services and utilities. [art. 78 (3)], but in some situations, this transfer of powers is not entirely accompanied by the transfer of the financial resources necessary to

⁵⁰ Contemporary Commentary, para 141.

⁵¹ Contemporary Commentary, para 150.

realise these competences in an appropriate way. In addition, local public administrations know the allocated budgets only at the time of the adoption of the State budget law, so no earlier than December of the current year for January of the next budget year. There were years when local public administration did not know the budget allocations they have in the current year, earlier than the months of February-March. This uncertainty does not allow local governments a proper programmation of their activities, undermining the efficiency of their administrative action.

163. The rapporteurs consider that Article 9, paragraph 2 is partially respected in Romania.

3.8.3 Article 9.3

164. Article 9, paragraph 3, requires that at least part of the financial resources of local authorities must derive from local taxes of which, within the limits of statute, they have the power to determine the rate. The Charter does not state that a local authority's own resources must contain a uniform proportion of local taxes, but it does make it mandatory for "at least" part to derive from local taxes and charges. This part should be large enough to ensure the greatest possible financial independence of local authorities.

165. In Romania, according to the figures (see above), taxation accounts for 17.9% per cent of local revenues in 2021. Local governments have the decision-making freedom about the determination of local taxes and fees in the sense that the local government authorities are free to increase their level so as to ensure the funding needs in the exercise of the duties conferred by the law, although the delegation was informed that very often local governments are reluctant to increase local taxes. This reluctance is often guided by political considerations, such as keeping a good reputation, and can have damageable effects on the funds available.

166. In addition, the income tax collected at the administrative territorial unit's level, is fully allocated to the local government authorities (it represents 33.9% of local revenues in 2021). The local public finance law provides that 71.5% of the income tax remains at the level of administrative-territorial units, but, starting from 2019, through the annual budget laws it was approved that this income remains fully (100%) at their level. This share was distributed as follows: 63% to the local budgets of communes, towns and municipalities/cities; 15% to the county budget (county council); 14% for balancing the local budgets of communes, towns and municipalities/cities, as well as the local budget of the county; 6% is allocated to the local budgets of communes, towns and municipalities/cities by decision of the county council; 2% for the financing of cultural institutions.

167. The rapporteurs consider that Article 9, paragraph 3 is respected in Romania.

3.8.4 Article 9.4

168. Article 9, paragraph 4, refers to the need for the resources available to local authorities to be of a sufficiently diversified and buoyant nature to enable them to keep up as far as practically possible with the actual changes (increases) in the costs for carrying out their tasks.

169. In Romania, the revenues of local authorities may come from different sources (own taxes and fees, transfers, other sources). Local authorities may adapt their own income to the different circumstances: for instance, if the local tax intake goes down for general economic reasons, the local authority may decide to increase local fees and charges paid by local service users (especially in urban areas) as a way to offset the decline.

170. The rapporteurs consider that Article 9, paragraph 4 is respected in Romania.

3.8.5 Article 9.5

171. Article 9, paragraph 5 addresses the question of the financial situation of municipalities that are financially disadvantaged due to their being located in economically or geographically weak areas (transition, mountain or island regions), or simply because they are too small to obtain the amount of resources needed to perform their tasks.

172. In Romania, there are important territorial inequalities. The Bucharest-Ilfov development region contributes 26.6% of GDP. According to the statistics on the contribution of the counties and regions to the GDP, South Muntenia (12.3%), North-West (11.8%) and Center (11.5%) followed. The development regions in the eastern part of the country improved their relative performance and managed to cross the

ten percent threshold (10.5% for the Southeast and 10.2% for the Northeast). Below this threshold, for different reasons, the West development region (9.6% of GDP, composed of only four counties) and South-West Oltenia (7.4%, with only five counties but also due to the fact that it is a pole of poverty).⁵²

- 173. Both the share of the income tax (14%) allocated for equalising and the amounts broken down from VAT for equalising are distributed in percentages for the county's own budget (15% in 2021 and 2022) and for equalising the local budgets of communes, towns and municipalities/cities (85%). The distribution of the 85% share is done through an equalising formula, so as to ensure a minimum level of income/inhabitant/year (e.g. 830 lei/inhabitant/year in 2021).
- 174. Currently, the equalisation system aims both at reducing imbalances in the financial capacity of administrative-territorial units (horizontal), and at the express financing of some powers delegated to local authorities, especially social expenses.
- 175. After 2019, in addition to the allocation criteria related to the financial capacity of the administrative-territorial units, additional criteria were introduced to compensate for revenue losses from the reduction of the income tax rate (from 16% to 10%), to compensate for transferred expenses in the social field and to ensure the expenses of the operating section of local budgets. All this has exponentially increased the complexity of the equalisation system, which can affect the objectivity and transparency of the equalisation.
- 176. Therefore, the rapporteurs consider that Article 9, paragraph 5 is only partially respected in Romania.

3.8.6 Article 9.6

- 177. Article 9, paragraph 6, of the Charter refers to a general principle of consultation, as enshrined at Article 4.6. In this case, consultation is required on the way in which redistributed resources are to be allocated to local authorities by other levels of government. Under Article 9.6, consultation is not merely a compulsory procedure that has to take place in a timely manner before a final decision is made. It must also cover the manner in which a decision is made and the criteria for doing so, not only the decision itself.⁵³
- 178. Consulting local public authorities when adopting decisions that substantially affect them is a legal obligation enshrined in the legislation that governs the activity of local authorities, also on financial issues.
- 179. Law nº 273/2006 defines the principle of consultation, according to which local public administration authorities, through their associative structures, must be consulted on the process of allocating financial resources from the state budget to local budgets.
- 180. The Administrative Code establishes a series of mandatory rules in this regard, namely the rules of the decentralisation process, the stages of the transfer of competences, within which it is mandatory to consult the associative structures of the local public administration authorities.
- 181. At the same time, the Administrative Code defines the Inter-ministerial Technical Committee for Decentralisation and the Committee for Local Public Finances, with the role of coordination and consultation in the development and implementation of financial and fiscal decentralization policies. The representatives of the associative structures of the local authorities are part of these committees, respectively:
 - a) Association of Romanian Communes;
 - b) Association of Romanian Towns;
 - c) Association of Romanian Municipalities;
 - d) National Union of County Councils of Romania
- 182. The authorities of the central public administration initiating a draft normative act have the obligation to consult the associative structures, before submitting for adoption/approval any draft normative act that directly concerns the local public administration and/or that has an impact on local communities.

⁵²https://cursdeguvernare.ro/aportul-judetelor-si-regunilor-la-pib-decalaje-severe-intre-cele-2-3-romanii.html; https://cursdeguvernare.ro/divergenta-interna-creaza-dezechilibre-severe-in-bugete-la-fiecare-leu-colectat-trei-judete-primesc-doi-de- la-bugetul-de-stat.html

⁵³ Contemporary Commentary, para 173.

- 183. During the monitoring visit, the Association of Communes in Romania pointed out that the consultation process is based on a genuine dialogue and requires an active role of the Committee for Local Public Finances. The Committee for Local Public Finances is a body with a consultative role in the process of drawing up financial regulations, which directly concern local budgets and establishing the amounts for equilibration that are allocated annually from the state budget for local budgets.
- 184. The rapporteurs consider that Article 9, paragraph 6 is respected in Romania.

3.8.7 Article 9.7

185. Article 9, paragraph 7, of the Charter establishes that "As far as possible, grants to local authorities shall not be earmarked for the financing of specific projects. The provision of grants shall not remove the basic freedom of local authorities to exercise policy discretion within their own jurisdiction".

186. In Romania, State and European funds are an important part of local authorities' income. The main concern on this issue is related to the criteria for distributing those funds, which are not always transparent and objective, raising very often criticisms and political debates⁵⁴. An example could be represented by the Anghel Saligny National Investment Programme intended to provide over €10 billion to local authorities for various development works⁵⁵. Several organisations pointed out the risks of mismanagement, due to the vague criteria on how projects should be selected, implemented, monitored, and audited⁵⁶. During the consultation procedure, the Ministry of Development, Public works and Administration argued that the allocation of the funds was made using an algorithm that took into account the following criteria: number of territorial administrative units, population size, county income taxes collected, needs related to road modernization and water supply and sewage systems (using official statistical indicators for the last available years). The Ministry added that the allocation covered all the territorial administrative units that asked for financing (a total of 3140 out of the total 3228 local administration received allocation) and the amount allocated depended on population thresholds set out for each county and type of investment.

187. However, on the basis of the information provided to them during and after the visit, the rapporteurs consider that Article 9, paragraph 7 is only partially respected in Romania.

3.8.8 Article 9.8

188. Article 9, paragraph 8, refers to the access to the national capital market for the purpose of borrowing for capital investment. Access to national capital markets is important for local authorities to finance investment projects necessary for the further development of the local area because in many cases the amount of their own "ordinary" resources is not sufficient to cover all the projects and plans decided on by local authorities to satisfy local needs. However, like other rights enshrined in the Charter, this is not absolute and must be reconciled with the general policy on public sector spending and debt. This is why the Charter says that the access must take place "within the limits of the law". Moreover, as a result of the recent economic crisis, many countries have introduced austerity measures to deal effectively with public deficits, so access to the national capital market should be analysed in the context of national fiscal policy and the governance of public debt.⁵⁷ During the consultation procedure, the Ministry of Development, Public works and Administration developed that in order to overcome the financial difficulties regarding investment objectives, according to the Law no. 273/2006 on local public finances, with subsequent amendments and additions, the local public authorities expenses related to investments can be financed from local budgets and loans. Thus, art. 61 - 63 of the aforementioned normative act, provide for the possibility of local public authorities applying for bank loans for the financing of public investments of local interest. Local councils can approve contracting or guaranteeing for short, medium and long-term internal or external loans, for the realisation of public investments of local interest, as well as for the refinancing of local public debt. Local public authorities can contract or quarantee loans, according to the law, only with the approval of the Local Loans Authorization Commission.

⁵⁴ https://www.g4media.ro/document-primarii-usr-exclusi-de-la-impartirea-banilor-de-catre-guvernul-citu-doar-cinci-din-41-delocalitati-conduse-de-primari-usr-primesc-fonduri.html?fbclid=lwAR36HSVNMgXmB4yrSi3YXJSC-QnN8QHjQMGVU4OsVp_bMTIDYiCR1eoYm3g

⁵⁵ ORDONANȚĂ DE URGENȚĂ nr. 95 din 3 septembrie 2021 pentru aprobarea Programului național de investiții "Anghel Saligny" 56https://adevarul.ro/politica/orban-si-citu-calca-pe-urmele-psd-promisiuni-de-2117107.html

https://freedomhouse.org/country/romania/nations-transit/2022

⁵⁷ Contemporary Commentary, para 182-183.

189. In Romania, local government authorities may contract loans up to 30% of their own income, which consist of both local taxes and fees and income tax (in turn, it is considered own income). There is a total ceiling for the indebtedness, established on a yearly basis by the government. During the monitoring visit, the delegation was told by several interlocutors, including the municipality of Bucharest, that the ceiling is too low and it must evolve.

190. However, the rapporteurs consider that Article 9, paragraph 8 is complied with in Romania.

3.9 Article 10 - Local authorities' right to associate

Article 10

- Local authorities shall be entitled, in exercising their powers, to co-operate and, within the framework of the law, to form consortia with other local authorities in order to carry out tasks of common interest.
- The entitlement of local authorities to belong to an association for the protection and promotion of their common interests and to belong to an international association of local authorities shall be recognised in each State.
- Local authorities shall be entitled, under such conditions as may be provided for by the law, to co-operate with their counterparts in other States.

3.9.1 Article 10.1

191. Article 10 of the Charter covers the possibility of co-operation between local authorities and their right to associate, at both national and international level.

192. Article 10, paragraph 1, refers to types of cooperation aimed at carrying out tasks of common interest. Under Article 10.1, local authorities firstly have a general right to co-operate with one another in order to deliver local services or discharge their responsibilities. Inter-municipal cooperation (or cooperation at other levels of local government) is a fundamental tool for local authorities in terms of delivering services, in view of the fact that many of them are too small or too weak (financially speaking) to deliver all the services they are supposed to or to carry out any meaningful local strategy or policy. This general entitlement to cooperate with other local entities is supplemented by a more specific right, namely the right to "form consortia", i.e. to create separate organisations. Although the Charter only mentions "consortia", the specific right to create joint institutional structures, separate from the participating local authorities, may take various forms.⁵⁸

193. Several methods of cooperation between the administrative territorial units have been regulated so as to increase the administrative capacity of local government authorities to provide good quality public services to the citizens.

194. According to Article 89 of the Administrative Code, two or more administrative units have the right, within the limit of the competence awarded to their deliberative and executive authorities, to cooperate and become associated, according to the law, by establishing inter-community development associations, which are legal entities of private law and public utility, as a form of association with the purpose of a joint delivery of some development project of regional or local interest or in order to supply together some public services. In addition, the possibility of carrying out activities which are included in the duties of local government authorities to the associations of local government authorities declared to provide public utilities and having legal personality at county level. During the consultation procedure, the Ministry of Development, Public works and Administration informed the delegation that in 2022 the Romanian Parliament adopted the Law for metropolitan areas, which is the legislative response to a territorial reality that has been manifesting itself in Romania for at least two decades - the growth of cities, especially the capital and regional metropolises in the first peri-urban crown, and the extension of their influence to neighbouring local administrative units, mainly as functionally integrated labour markets that generate neighbourhood effects, both beneficial (jobs, innovation) and harmful (congestion, pollution). The Ministry developed that the law establishes the institutional framework, objectives, competences and specific instruments of metropolitan development policy in Romania. The ultimate objective of the law is to increase the quality of life and territorial cohesion by addressing existing problems at an appropriate scale that will make investment in infrastructure and the provision of public services at supra-local level more efficient.

195. A special provision has been introduced to facilitate the inter-communal cooperation in the field of territorial development and urban planning, which is deeply affected by the lack of professional figures

⁵⁸ Contemporary Commentary, paragraph 187-194.

(chief architect) in order to ensure the joint provision of public services regarding urban and territorial planning, the issuance of town planning certificates and building permits.⁵⁹

- 196. Another form of association is represented by the metropolitan areas that are set up based on the express agreement of the local councils of the constituent administrative units; the purpose of such metropolitan areas is to develop infrastructure and development objectives of joint interest.
- 197. During the visit, the delegation was informed that the government was drafting a new law, aimed at facilitating the cooperation of rural communes through administrative consortia. During the consultation procedure, the Ministry of Development, Public works and Administration informed the delegation that the Law for Administrative Consortia was adopted by the Romanian Parliament in December 2022.
- 198. Therefore, the rapporteurs believe that Article 10, paragraph 1 of the Charter is respected in Romania.

3.9.2 Article 10.2

199. In this paragraph the Charter clearly recognises and sets out another right of local authorities: that to belong to (a) a national association for the protection and promotion of their common interests; and (b) an international association of local authorities.

- 200. The "associations" referred to in paragraph 2 are different from those mentioned in paragraph 1. Those mentioned in Article 10.1 are set up for the delivery of local services, plans or projects and are instruments for discharging duties and responsibilities. Conversely, those referred to in Article 10.2 are instruments for the promotion of common interests. These associations play a fundamental role in representing and defending the rights, powers and interests of local authorities and they carry out many activities on behalf of them all (not only in favour of their members).⁶⁰
- 201. In Romania, the associations of local governments⁶¹ and the association of counties⁶² are explicitly recognised by legislation. Article 86 of the Administrative Code mentions the Romanian Association of Communes; the Association of Romanian Towns; the Romanian Association of Municipalities; the National Union of County Councils of Romania and "other associative forms of general interest, established according to the law". All those associations must be consulted by the government, as described above (sub Article 4 paragraph 6).
- 202. Therefore, the rapporteurs believe that Article 10, paragraph 2 of the Charter is respected in Romania.

3.9.3 Article 10.3

- 203. Article 10, paragraph 3, addresses the cooperation of local authorities with their counterparts in other States. The right to engage in cross-border cooperation is also protected.
- 204. Romania has signed and ratified the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (ETS No. 106). Legislation recognises the possibility of local authorities to cooperate and associate with administrative units from abroad, as well as the possibility to become member in international organisations of local public administration authorities, while the administrative units that are neighbouring border areas may conclude among themselves cross-border cooperation agreements with similar structures from neighbouring countries. Local authorities in Romania may conclude twinning/cooperation agreements with local public administration authorities in other countries.
- 205. During the monitoring visit, the delegation was informed that cross-border cooperation, in the case of Giurgiu County with Bulgaria, represents a component of the regional development policy, which aims to ensure economic growth and balanced and sustainable social development of the border regions. Giurgiu County Council is a member of the Danubius Giurgiu-Ruse Euroregion Association (Romania-

⁵⁹ ORDONANȚĂ DE URGENȚĂ nr. 79 din 30 iunie 2021 pentru modificarea Legii nr. 350/2001 privind amenajarea teritoriului și urbanismul.

⁶⁰ Contemporary Commentary, para 198.

⁶¹ https://amr.ro/; https://www.acor.ro/

⁶² https://uncjr.ro/web/

Bulgaria cross-border cooperation) and has common development projects within the EU cross – border programmes.

206. The rapporteurs consider that Article 10, paragraph 3 of the Charter is respected in Romania.

3.10 Article 11 – Legal protection of local self-government

Article 11

Local authorities shall have the right of recourse to a judicial remedy in order to secure free exercise of their powers and respect for such principles of local self-government as are enshrined in the constitution or domestic legislation.

207. Article 11 of the Charter refers to an effective judicial remedy to ensure respect for local self-government. It stresses the requirement that local authorities should have the right to invoke and to defend in the courts the principles of local self-government, especially in the context of lawsuits in which their rights and powers are challenged or curtailed, or when those rights are endangered by the higher (central or regional) levels of government. "Recourse to a judicial remedy" means access by a local authority to either a properly constituted court of law or an equivalent, independent, statutory body.⁶³

208. In Romania, the local government authorities have no special right of appeal to the Constitutional Court or other courts, but they must fulfil the normal requirements for having a right of action. Therefore, they have the right to apply to the courts to ensure the free exercise of their competences and the compliance with the principle of local self-government which are stipulated in the Constitution or the domestic legislation in administrative courts. Pursuant Article 1 of Law no 554/2004 on the administrative courts, the local government authorities may ask the administrative courts to annul the challenged act, recognise the alleged right or the legitimate interest and repair the damages caused by a central government authority.⁶⁴

209. The Association of Communes of Romania pointed out, in its written answers to the rapporteurs, that, according to Law no 554/2004, the procedures are limited only to administrative acts and that local authorities aren't able to challenge emergency ordinances or laws, because they can't directly trigger the Constitutional Court. However, in the same document, they mentioned that on 14.06.2021, the Association of Communes of Romania filed a lawsuit with the Bucharest Court of Appeal - Section IX Administrative and Fiscal Litigation, to compel the Government of Romania to issue a decision regarding the procedure and methodology for the application of Article 210 of the Administrative Code, with the subsequent amendments and additions. The court's solution was to state that the referral to the Constitutional Court of Romania is admissible with the exception of unconstitutionality of the provisions.

210. Actually, indirect complaint to the Constitutional Court, against laws and ordinances, by the way of the exception of unconstitutionality raised by an ordinary court, is possible in Romania (Article 146, lett. (d) of the Constitution).

211. Considering the availability of judicial remedies, the rapporteurs consider that Article 11 is respected in Romania.

⁶³ Contemporary Commentary, para 206.

⁶⁴ M. C. Apostolache, Aspecte jurisprudențiale relevante din practica Curții Constituționale a României în materia administrației publice locale, in *Acta Universitatis George Bacovia*. *Juridica* - Volume 4. Issue 2/2015 - http://juridica.ugb.ro/

4. OTHER MATTERS RELATED TO THE FUNCTIONING OF LOCAL AND REGIONAL SELF-GOVERNMENT

National minorities

212. Romania has 20 national minorities today. The promotion of interethnic dialogue is ensured by the Ministerial Department of Interethnic Relations, a government body with no legal personality, established in 2005 by Decision no 111/2005 under the aegis of the Prime Minister of Romania and in coordination with the Deputy Minister for the Coordination of the Secretariat General of the Government. 65

213. Also under the pressure of EU conditionality substantial legal progress was achieved, particularly related to minority language use and education in the minority language during Romania's EU integration process, by the main party representing Hungarians—the Democratic Alliance of Hungarians in Romania (in Hungarian, Romániai Magyar Demokrata Szövetség [RMDSZ]. Romania signed and ratified the European Charter for Regional and Minority Languages (ETS No. 148), which entered into force in Romania on May 1st, 2008.

214. The use of national minorities' language represents a feature of local self-government, mentioned as such in the Constitution (Article 120 paragraph 2). At special legislation level, the Administrative Code stipulates that the administrative units where the citizens belonging to a national minority have a share of more than 20% of the number of inhabitants, as established during the last census, the local public administration authorities, the public institutions subordinated to them as well as the decentralised public services ensure that the respective national minority language may be used in the relations with the former.

215. According to the provisions of the law, the main rights of the persons belonging to national minorities stipulated in the legislation in force apply to a large number of issues regarding the relation between such citizens and the local public administration authorities. Among these rights, there is:

- a) the right to use mother tongue in the city and county council meetings (Article 94 of Administrative Code);
- b) the right to be informed in mother tongue about the regulatory decisions of city and county councils (Article 195 paragraph 2 of Administrative Code):
- c) the right to communicate, in writing or orally and in mother tongue, with local government authorities and deconcentrated public services (Article 94 and Article 195 paragraph 2 of Administrative Code):
- d) the right to perform official ceremonies and marriages also in the mother tongue (Article 9 of the Rules approved by Government Decision no 1206/2001);
- e) the right of every pupil to learn in his/her mother tongue through educational establishments or classes taught in the language of the national minority (Article 10 paragraph 2 of the National Education Law no 1/2011). The right is also extended to higher and postgraduate education where several universities have Hungarian Sections.

216. Altogether, the use of Hungarian is comprehensively implemented in around a third of those municipalities where language rights should be granted by law. A European Charter for Regional or Minority Languages report found 'the undertaking' of providing public services in Hungarian where 'minorities have a share of over 20% of residents' to be generally unfulfilled⁶⁶ and the 2018 Recommendation of the Committee of Ministers on the application of the European Charter for Regional or Minority Languages by Romania asked to "reconsider the thresholds for official use of minority languages in the administration".⁶⁷

The impact of COVID pandemic

217. In Romania, as in other countries, the COVID-19 pandemic has had a significant impact on the work of the local governments. The response to the crisis caused by the SARS-CoV-2 virus represented a challenge for local authorities, requiring additional capacities and resources so that the decisions taken mitigate the shock caused by the coronavirus on public health and the socio-economic situation and at the same time ensure providing quality public services.

⁶⁵ https://dri.gov.ro/w/#

⁶⁶ CM(2018)4 21/12/2017 Second report of the Committee of Experts in respect of Romania, 2017, p. 49.

⁶⁷ Recommendation CM/RecChL(2018)3 https://www.coe.int/en/web/european-charter-regional-or-minority-languages/reports-and-recommendations

218. Both during the state of emergency and during the state of alert, additional attributions were established for the local authorities, and the activities and working methods had to be adapted to the newly emerging situations and to the measures taken to combat the effects of this COVID- 19. The delegation was informed that the provision of funding sources adjacent to this situation did not fully cover the expenses incurred at the level of local authorities.

219. The main challenge of local budgets in the 2020-2021 period was that of covering the costs generated by the need to carry out urgent and unforeseen expenses:

- investments in the local health network;
- sanitation of buildings, public places, streets and means of public transport;
- special support for maintaining staff and other emergency services in operational condition;
- stimulation of the medical staff;
- quarantine and self-isolation measures at home;
- special assistance for the population, especially for vulnerable groups (the elderly, people with health problems, pregnant women, working single parents, etc.);
- the distribution of equipment necessary for carrying out the educational process in the online system;
- organisation of vaccination centres;

220. More than 50% of these costs were covered, especially in 2020, from subsidies received from the State budget with the following destinations:

- health financing, medical equipment and emergency communications equipment in health,
- health investments, health programmes;
- settlement of quarantine expenses;
- payment of allowances related to the temporary suspension of sports activity contracts;
- payment of the risk incentive for medical staff within educational institutions;
- payment of expenses with food allowance and accommodation allowance for public social services staff in preventive isolation at work.

221. In addition, the Emergency Ordinance no 144/2020 provided for the allocation of € 175 million from European funds for the purchase of IT equipment to be granted to students in order to access online learning platforms, protective equipment for students and teachers and modular spaces for safe deployment of the educational process or for the arrangement of the sanitary groups. The implementing authority is the Ministry of European Funds, the beneficiaries are the local public authorities and / or the educational units.⁶⁸

222. In order to facilitate the local decision-making process, the possibility for the deliberative bodies of the administrative units to meet and take decisions in on-line meetings was regulated from a functional perspective. Thus, the Emergency Ordinance nº 61/2020 supplementing and amending the provisions of the Administrative Code was adopted. Also, a possibility was regulated for the staff within the specialised departments of the local public administration authorities to fulfil their tasks in a tele-work system or home-based work system (Emergency Ordinance nº 120/2020).

The impact of Ukrainian refugees' crisis

223. Having 600 km long border with Ukraine, Romania was especially affected by the 2022 Ukrainian refugees crisis. Romania has spent some 335 million RON (€ 68 million) to tackle the massive Ukrainian refugee influx since the war started, according to the government data. The sum includes an extra allocation of 57 million lei to cover December food and accommodation expenses for over 27,000 Ukrainian refugees currently being hosted by individual persons in Romania. During the consultation procedure, the Ministry of Development, Public works and Administration highlighted the importance of the Emergency Ordinance no. 100/2022 regarding the approval and implementation of the National Plan of Measures regarding the protection and inclusion of displaced persons from Ukraine, beneficiaries of temporary protection in Romania. According to the Report provided by the Romanian Government on 13 of January 2023:

- 3.242.209 Ukrainian arrivals at the border;
- 107.241 Ukrainian refugees in-country;
- 221.851 Ukrainian children in-country;
- 103.773 Ukrainian refugees with temporary protection;
- 4.397 Ukrainian Asylum Seekers.

⁶⁸ NALAS, Fiscal Decentralization Report, 8th Edition, p.62; p. 165.

- 224. Centres for accommodation and assistance for the refugees were organised with the participation of the state and of the local public administration. Also, support measures were taken through Emergency Ordinance no 28/2022 and Government Decision no 336/2022 with the purpose of finding long-term housing for the Ukrainian refugees. As part of the programme organised by the state with the support of local public administration authorities, the persons who host citizens arriving from the armed conflict area in Ukraine receive monthly payments for housing 50 RON/person per day and per diem 20 RON/person per day.
- 225. Also, the minors who find themselves in special situations who arrive from the area of the armed conflict in Ukraine have the right to education in Romanian educational units and also the right to receive free accommodation in boarding school facilities (Article I, point 11 of the Emergency Ordinance no 20/2022 mentioning that 11 new articles are introduced after article 6 of the Emergency Ordinance 15/2022, numbered from 7 to 17).
- 226. Also, the Law on local public finance no 273/2006 was amended through Emergency Ordinance no 28/2022 in the sense of providing a possibility for the administrative units in Romania to provide aid to other administrative units in neighbouring countries which are in a state of armed conflict or which are affected by the flow of persons originating from the area of the armed conflict in Ukraine, based on their request on their own motion.

5. ADDITIONAL PROTOCOL TO THE CHARTER ON THE RIGHT TO PARTICIPATE IN THE AFFAIRS OF LOCAL AUTHORITY

- 227. With regard to the right to participate in public affairs at local level in Romania, the rapporteurs note, exactly as the previous rapporteurs did in 2010, that Romania has good practices in this respect.
- 228. The principle of citizens' consultation in solving problems of special local interest is considered by the Administrative Code as a general principle of public administration (Article 75.1, lett. c).
- 229. Among the instruments of participations, rapporteurs would like to mention those regulated by the Administrative Code:
- citizens' initiative at local level. Citizens may propose draft resolutions to the local councils and county councils in whose territorial area they reside, for debate and adoption.(2) The promotion of a draft resolution can be done by one or more citizens with the right to vote, if it is supported by the signatures of at least 5% of the population with the right to vote registered in the Electoral Register with domicile or residence in the unit administrative-territorial (Article 247 of the Administrative Code).
- citizen's assemblies. The citizens of the commune or the city can also be consulted through citizens' meetings organised in villages, in the rural environment, and in neighbourhoods or streets, in the urban environment. The convening and organisation of citizens' assemblies are done by the mayor, at his initiative or at the initiative of one third of the number of councillors in office (Article 248 of the Administrative Code).
- 230. In Romania, local and county councils can arrange advisory referendums. According to the Law nº 3/2000 regarding the organisation and conduct of the referendum, "issues of special interest in the administrative-territorial units and administrative-territorial subdivisions of the municipalities may be submitted, under the terms of this law, to the approval of the inhabitants, through a local referendum" (Article 13). The issues subject to the local referendum are established by the local or county councils, as the case may be, upon the proposal of the mayor, respectively the president of the county council (Article 14)⁶⁹. According to Article 5, containing general provisions on referendum "(2) The referendum is valid if at least 30% of the number of people registered in the permanent electoral lists participate in it. (3) The result of the referendum is validated if the validly expressed options represent at least 25% of those registered on the permanent electoral lists".
- 231. It is also possible the removal of the local public administration authorities by the citizens. At commune, town, city and county level, the local or county councils may be dissolved and the term of office for mayors and presidents of county councils may be terminated through a local referendum, as a result of a reasoned demand submitted in this respect to the Prefect by at least 25% of the voting

⁶⁹ For a recent case, see https://www.romania-actualitati.ro/stiri/romania/referendum-local-la-codlea-id156450.html

population registered on the Voter Registration List. The local referenda are valid if at least 30% of the total number of citizens with voting rights registered on the Voter Registration List cast their vote, and the removal by popular vote becomes effective if at least half plus one of the total number of the valid votes were cast with this intention.

- 232. The rapporteurs note that Romania, despite those positive examples on participation in public affairs, has not yet signed the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207). Moreover, nothing in the present legal scheme would prevent that signature.
- 233. Therefore, the rapporteurs encourage national authorities to sign and ratify the Additional Protocol in a near future. During the consultation procedure, the Ministry of Development, Public works and Administration expressed that at the level of the Romanian Government, the procedures to adhere to the Additional Protocol have already been initiated.

6. CONCLUSIONS AND RECOMMENDATIONS

- 234. Local government represents an important feature of the Romanian democracy. Since 1991, several reforms improved the local self-government, taking into account the principles of the Charter, which represented an important guidance for the establishment of the Romanian local government system.
- 235. Since the previous monitoring visit, in 2010, several progresses have been made, especially as regards the consultation of local authorities. New provisions on consultation have been introduced, establishing detailed rules, and in practice local authorities' associations are duly consulted by the central government.
- 236. The 2019 Administrative Code represents an important measure to reorganise and coordinate the legal provisions on public administration, including those on local government. However, in the opinion of the rapporteurs, it does not include all the relevant acts and the normative scenario remains highly fragmented.
- 237. A new legislative framework on metropolitan areas has been introduced, to facilitate the cooperation and the management of some public services. Some proposals to strengthen cooperation between rural communes are also in progress.
- 238. The status of local representatives does correspond to the principles of the Charter and the rapporteurs consider that Article 7, paragraph 2, of the Charter on the financial compensation of elected local representatives, although not ratified by Romania, is de facto respected.
- 239. Although the local authorities do not represent an exception to the context of political patronage and corruption, which afflict the country, rapporteurs appreciate the role of the Court of Accounts in enhancing the efficiency and transparency of the local level.
- 240. Local authorities' expenditures represent an important part of the public expenditures in Romania (especially in comparison with other countries in the region) and local authorities deliver many social services to citizens.
- 241. For this reason, they are at the forefront in dealing with the new challenges the country has to face: rapid urbanisation around important municipalities (urban sprawl); youth migration abroad and lack of skilled workers; ageing and depopulation (non-metropolitan areas) of the population in rural areas; lack of jobs for young people in large cities; lack of an agricultural product distribution system from farmers to supermarkets; small income obtained from pensions for people living in villages and lack of a proper healthcare system in the rural areas; need for programmes related to the insertion of Roma⁷⁰ population and their employment; waste crisis and waste imports from abroad; migratory crisis as a consequence of the war in Ukraine.

⁷⁰ The term "Roma and Travellers" is used at the Council of Europe to encompass the wide diversity of the groups covered by the work of the Council of Europe in this field: on the one hand a) Roma, Sinti/Manush, Calé, Kaale, Romanichals, Boyash/Rudari; b) Balkan Egyptians (Egyptians and Ashkali); c) Eastern groups (Dom, Lom and Abdal); and, on the other hand, groups such as Travellers, Yenish, and the populations designated under the administrative term "Gens du voyage", as well as persons who identify themselves as Gypsies. The present is an explanatory footnote, not a definition of Roma and/or Travellers.

- 242. Against this background, rapporteurs would like to point out some aspects which deserve special attention.
- 243. Faced with the growing challenges that local government has to face, the territorial structure not always appears adequately equipped. The weakness and fragmentation of the communes, especially in rural areas, may undermine their capacity to carry out their competences. Notwithstanding the many legal instruments of cooperation existing, it seems necessary to improve and facilitate voluntary mergers and to enhance intermunicipal cooperation.
- 244. As it was pointed out in Recommendation 300 (2011), the financial resources of local authorities aren't adequate and the criteria of the allocation of financial resources between the central and local levels of government often lack of transparency. The transfer of powers concerning local public services is not always accompanied by financial resources commensurate with their responsibilities. Considering also the limited use of their taxation autonomy by local authorities, they depend mostly on State or European funds, especially for the possibility to finance investments.
- 245. The regional level remains an open issue in Romania, as it was pointed out by Recommendation 300 (2011), and it seems necessary to make a decision on the role of the regions, improving their competences and their autonomy, moving in the direction of the establishment of a proper tier of regional self-government.
- 246. The special autonomy for Bucharest, in the light of Recommendation 452 (2021) of the Congress on the Status of Capital Cities, remains another issue to be addressed, already highlighted by Recommendation 300 (2011).
- 247. Another aspect pointed out by the Recommendation 300 (2011) is that Romania has not signed nor ratified the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority.
- 248. In conclusion, the rapporteurs suggest in particular to encourage the voluntary mergers and to continue facilitating intermunicipal cooperation. They also call to allocate to the local authorities financial resources commensurate with their responsibilities, as stated in Article 9(2) of the Charter, thus enabling them fully to exercise their functions and to improve their possibility to finance investments. The rapporteurs consider to continue the reforms on regional development in order to involve the regions in territorial administration. The delegation believes it is necessary to improve the implementation of the legal provisions regarding the consultation process by the central government with the local authorities' associations and monitoring compliance with the deadlines established in the legal framework to receive their points of view. The rapporteurs call to establish a special autonomy for Bucharest, in the light of Recommendation 452 (2021) of the Congress on the Status of Capital Cities. Additionally, the delegation believes it is necessary to consider lifting its reservation to Article 7(2) made at the time of the ratification of the Charter since the regulations concerning this matter seem *de facto* to be in compliance with this provision of the Charter. Finally, the delegation calls to sign and ratify the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority.

APPENDIX - Programme of the Congress monitoring visit to Romania (12-13 October 2022)

MONITORING THE IMPLEMENTATION OF THE EUROPEAN CHARTER OF LOCAL SELF-GOVERNMENT IN ROMANIA

Bucharest, Giurgiu, Frătești

12 - 13 October 2022

PROGRAMME

Congress delegation

Rapporteurs

Mr Marc COOLS Rapporteur on local democracy

Chamber of Local Authorities, ILDG71

Local councillor (Uccle)

BELGIUM

Mr David ERAY Rapporteur on Regional Democracy

Chamber of Regions, EPP/CCE President of the Jura Government and

Minister for the Environment

SWITZERLAND

Congress Secretariat

Ms Stéphanie POIREL Head of the Statutory Activities Division,

Secretary of the Monitoring Committee

Mr Guillaume LOISEAU Co-Secretary of the Monitoring Committee

Expert

Ms Tania GROPPI Member of the Group of Independent Experts on

European Charter of Local Self-Government

(Italy)

Interpreters:

Ms Luana CHIRITA Ms Marina ENCIU

The working language of the meetings will be Romanian. Interpretation into and from French will be provided.

ILDG: Independent Liberal and Democratic Group ECR: European Conservatives and Reformists Group

NR: Member not belonging to any political group in the Congress

⁷¹ EPP/CCE: Group of the European People's Party in the Congress SOC/V/DP: Socialists, Greens and Progressive Democrats Group

Wednesday, 12 October 2022 Bucharest

JOINT MEETING WITH THE ROMANIAN NATIONAL DELEGATION TO THE CONGRESS, NATIONAL ASSOCIATIONS AND INDEPENDENT EXPERTS

• NATIONAL DELEGATION OF ROMANIA TO THE CONGRESS

Mr Cătălin TOMA, Head of Delegation, President of the Vrancea County Council

Mr Emilian OPREA, Deputy Head of Delegation, Mayor, Chitila

Mr Attila KORODI, Mayor, Miercurea-Ciuc

Mr Anastase MORARU, Mayor, Isaccea

Ms Letitia STOIAN, Mayor, Semlac

ASSOCIATION OF MUNICIPALITIES IN ROMANIA

Mr Valentin IVAN, Vice-President, Mayor of the commune of Sadu, Sibiu county

Mr Sergiu ȚARA, Executive President, Chairman

Ms Daniela SOFINETI, Public Administration Councillor

• NATIONAL UNION OF COUNTY COUNCILS OF ROMANIA

Mr Cătălin TOMA, President of the Vrancea County Council

Mr Sorin MUNTEANU, Director General

Ms Sirma CARAMAN, Deputy Director General

Ms Ionela STOIAN, Director of Public Procurement and European Funds

Mr Mihai Sorin CALOTA, Legal Director

ASSOCIATION OF ROMANIAN MUNICIPALITIES

Mr Constantin TOMA, Executive President, Mayor of Buzău

Mr Attila KORODI, Mayor of Miercurea Ciuc

Ms Diana IANCU, Dean of the Faculty of Public Administration, SNSPA

Mr Constantin MITACHE, Director General

Ms Laura PROPESCU, AMR expert

Ms Georgiana MIHAILA, AMR expert

• NATIONAL ASSOCIATION OF CITIES

Mr Emilian OPREA, Mayor of Chitila, Deputy Chair of the Romanian delegation to the Congress **Mr Anastase MORARU**, Mayor of the city of Isaccea

• Dr. Diana Camelia IANCU, member GIE

CAPITAL CITY BUCAREST

Mr Dan NICUSOR, Mayor

PARLIAMENT

Ms Eniko GEORGESCU, Office of the Vice-President

Mr Andrei GRIGORE, Committee on Public Administration and Territorial Planning

Mr Andrei CHITIC, Committee on Public Administration and Spatial Planning

Ms Cristina SAVA, Directorate for Relations with Parliamentary Organisations and the EU

Ms Ilinca Iulia ILIE, Director of the Cabinet of the President of the Senate

Ms Raluca CONTANU, Coordinator, Committee on Agriculture, Food Industry and Rural Development

Mr Răzvan TANASE, Secretary of the Romanian parliamentary delegation to PACE

COURT OF ACCOUNTS

Mr Mihai BUSUIOC, President

Ms Mariana MISU, Director Dep VI Mr Dumitru NICHITA, Advisor to the President

COMMISSIONER FOR HUMAN RIGHTS

Mr Zsolt MOLNAR, Deputy Commissioner for Human Rights, Head of the Department of Human Rights, Gender, Religious Denominations and National Minorities
 Ms Monica ACATRINEI, Adviser to the Department of Human Rights, Gender Equality, Religious Cults and National Minorities

Thursday, 13 October 2022 Bucharest, Giurgiu, Frătesti

MINISTRY OF DEVELOPMENT, PUBLIC WORKS AND ADMINISTRATION

Mr Marin TOLE, Secretary of State

Mr Daniel MARINESCU, Director General of Public Administration
Mr Sorin SOLOMON, Director of Strategies and Public Administration Reforms
Ms Simona STANCIU, Protocol Department
Mr Richárd KOVÁCS, Advisor to the Minister

MINISTRY OF PUBLIC FINANCE

Ms Daniela PESCARU, Secretary of State

Ms Ioana BURLA, Director General of Budget Planning Ms Gabriela POPESCU, Head of Budget Department

GIURGIU COUNTY COUNCIL

Mr Dumitru BEIANU, President of the County Council

Ms Elisabeta MIHALCEA, Vice President of Giurgiu County
Mr Cristian ANCULESCU, Vice President of Giurgiu County
Ms Aura RADUCU, Advisor to the President
Ms Aurelia BREBENEL, Secretary General of Giurgiu County
Mr Cristian GRATIANU, Public Director
Ms Lidia PANA, Director General of the Purchasing Department
Mr Alin MIHAILA, Head of the Public Investment Department
Ms Elena DUMITRAŞCU, Coordinator of the EU Projects Department
Mr Vlad CIOBANU, Head of the Finance Department

CITY OF GIURGIU

Mr Adrian ANGHELESCU, Mayor

COMMUNE OF FRĂTEȘTI

Mr Gabriel-Marian PANA, Mayor Mr Toma-Florin PETCU, Senator of the Romanian Parliament Ms Viorica DAMIAN, Secretary General of the Mayor's Office Ms Steluta DOGARU, Accountant Mr Nicolae COPACEANU, Director